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NOTICE TO READERS: Effective 1 October, the processing indicators appearing in brackets at the start of each item in this publication will be changed. All new indicators will begin with "FBIS" to make the material more easily identifiable. Some will also indicate whether the item has been translated from the vernacular or transcribed from English.

An * indicates material not disseminated in electronic form.

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East Asia-Europe Summit Held in Singapore

Indonesian Minister Speaks

BK1510092794 Jakarta ANTARA in Indonesian 1240 GMT 14 Oct 94

[FBIS Translated Excerpt] Singapore, 14 October (ANTARA)—Hartarto, coordinating minister for industry and trade, says Indonesia will not close itself to cooperation with countries outside the Asia-Pacific region as long as such cooperation is mutually advantageous, although Indonesia belongs to AFTA [ASEAN Free Trade Area] and APEC [Asia-Pacific Economic Cooperation].

"We are not exclusive, because such an attitude would not be good for the country," Hartarto told over 500 delegates to the East Asia-Europe Economic Summit in Singapore on Friday. [passage omitted]

Hartarto said the development of relations between subregional groups within APEC, as well as relations between East Asian countries, particularly Indonesia and European countries, is clear and continuing.

According to him, the business climate in the Asia-Pacific region is developing and there are opportunities in the region.

"European companies can take advantage of the opportunities through synergy with East Asian companies," he said.

Hartarto said mutually advantageous cooperation with foreign partners can be explored by opening wider markets and promoting business activities in Indonesia.

"We can push this cooperation toward achieving multilateral liberalization," he said. Hartarto is one of the panelists in the session titled "Europe and East Asia in the New Game of Shifting Alliances." The other panelists are Robert Urbain, Belgian minister of foreign trade and European affairs, and Yeo Cheow Tong, Singapore minister of trade and industry. [passage omitted]

Summit Calls for Leaders Meeting

BK1610100394 Singapore BUSINESS TIMES in English 15-16 Oct 94 p 2

[FBIS Transcribed Text] Participants at the 1994 East Asia-Europe Economic Summit called for a meeting between the heads of East Asian and European governments to discuss issues affecting relations between the two regions. This was the key item in the "programme for action" unveiled by former French prime minister Raymond Barre at the summit's closing session yesterday.

The programme also calls for a range of initiatives in the areas of trade, financial, investment and technology flows, environmental and infrastructural policies, and for a broadening of political cooperation.

In an earlier session, Thailand's deputy prime minister, Suphachai Phanitchaphak, and Mr. Barre summarised, from the respective perspectives of East Asia and Europe, the main issues surrounding relations between the two areas.

Noting the worldwide trend towards the development of regional groupings, Dr. Suphachai noted that this is a "second best solution." Ideally, these groupings should try to link up to create a freer global economic order, he said. There are especially good reasons for Europe and East Asia to forge closer ties, Dr. Suphachai said.

He observed that such a move would not be inconsistent with strengthening the single European market: the mega projects and other economic opportunities that Asia had to offer European companies would enable them to become stronger and more competitive. More trade with Asia would enable European economies to reduce volatility caused by the high concentration of intra-European trade in their total trade. But a closer relationship between the two regions would require overcoming certain "mentality problems," Dr. Suphachai said. First, it would require Europe to recognise that its relationship with East Asia was not a "centre-periphery" but a "centre-centre" relationship.

Second, there remained "gaps of understanding" to be bridged, especially in the realm of social issues and the way they needed to be tackled.

"We know that social conditions in Asia need to improve," Dr. Suphachai said. "But do not mix social issues with trade issues."

Third, Asian countries were wary of European protectionism. For example, they feared that increasing use of anti-dumping provisions reflected a move to impose new non-tariff barriers to trade.

Dr. Suphachai called for more dialogue between businessmen from Europe and Asia and for a trade summit involving the governments of the two regions.

Putting forward the European point of view, Mr. Barre suggested that each region should respect that the other had certain interests. Europe had interests not only in East Asia, but also in Eastern Europe and Africa, he said. Mr. Barre noted that there were also certain misunderstandings on the Asian side. When for instance, certain East Asian leaders accused Europeans of "incredible arrogance," "our reaction is one of disinterest," he said.

Nor were accusations of European "hegemony" any longer justified. Mr. Barre said Europeans would, however, be willing to discuss issues that gave rise to East Asian fears about "fortress Europe."

Although the need for economic restructuring forced European governments occasionally to adopt "regressive measures," the overall evidence did not support the idea that Europe's market was closed.

For example, he noted that the European Union's trade deficit with East Asia rose from U.S. $28 billion in 1988 to U.S. $52 billion (S [Singapore] $77 billion) in 1993.

Nor did Europe have in its trade arsenal such weapons as Section 301 (a provision of U.S. trade law allowing for unilaterally applied trade sanctions against countries deemed to be practising unfair trade).

Barre Calls for End to 'Suspicion'

BK1610101494 Singapore THE STRAITS TIMES in English 15 Oct 94 p 23

[FBIS Transcribed Text] Eurostatesman Raymond Barre, expressing bewilderment at what he called unjustified remarks about the European Union [EU], called yesterday for an elimination of the East Asians' "constant suspicion" towards his region.

Referring to Malaysian Prime Minister Mahathir Mohamed's hard-hitting speech on Thursday, he said: "It's the first time in decades I've heard of European hegemony in Asia. It's an attitude of the past."

Europe now sought partnership as equals, said Mr. Barre, a former prime minister of France. Fears of an emerging "Fortress Europe" closed to Asian exports were also unfounded, he said.

He pointed out that the European Union had a trade deficit with East Asia (excluding Japan), and that the deficit had risen from U.S. $28 billion (S [Singapore] $41.16 billion) in 1988 to U.S. $38 billion in 1992. He also appealed for understanding about Europe's situation. The EU had special responsibilities towards its Eastern European neighbours and to several African countries.

"They are in relatively bad shape... It's not possible to just abandon them," he said, noting that they were given trade privileges and aid and investments. The EU's "heavy burden" had to be taken into account when judging its behaviour, he said. He acknowledged that there was strong debate in France and other countries about free trade and international competition and whether these were dangerous.

He said: "It's true that we defend our farmers; it's true that we defend our workers. But have you seen a government that is not sensitive to the situation of its people?"

Members of the EU defended their interests like any other country or region, he said. But he said that there would be no backsliding towards protectionism, as this was not in Europe's long-term interests either.

"We are perhaps protectionist, but we are more intelligent than we are protectionist."

At an earlier session, another European questioned Asian leaders' statements that closer ties depended on Europe putting its house in order.

Mr. Folker Streib, a Tokyo-based banker, rose from the floor to remind participants about the hard facts that constrained Europe.

Among them: Europe took in "millions and millions" of foreign workers and refugees every year. Japan had accepted about 200 refugees, he said.

Suharto Opens NAM Agriculture Ministerial Meeting

BK1110011194 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 10 Oct 94

[FBIS Translated Text] The Indonesian Government and people must try harder to increase rice production by developing new methods to meet the growing need for rice. A campaign must be launched to diversify the people's menu to lessen dependence on rice.

President Suharto stated this when he opened the conference of agriculture and food affairs ministers of the Nonaligned Movement [NAM] on food security in Bali this morning. He said the huge population and a high population growth are one of the challenges to provide food to the people despite Indonesia's success in implementing the family planning program. According to President Suharto, Indonesia is paying utmost attention to increasing food production.

[Begin Suharto recording] We in Indonesia realize the importance of food for the success of development. Thus, we are giving top priority to efforts to increase food production in our development drive. We are thankful because we achieved a self-sufficiency in rice as our staple food a decade ago. We have maintained the record despite our growing need for rice. This record is inseparable from our success in motivating and guiding our farmers to till their ricefields. We have been endlessly encouraging our farmers to increase the productivity of each hectare of their rice fields through the intensification program. Meanwhile, under the government's extensification program, the farmers have received various types of aid to create new ricefields. We have built dams and irrigation networks. We have built fertilizer plants. Our agricultural advisers are always in the field to guide the farmers to conduct correct farming. The campaign to increase rice production is proceeding from decisionmakers at the national level down to village chiefs. [end recording]

The two-day conference of NAM agriculture and food affairs ministers is attended by 250 delegates from 62 nations—53 NAM members, four observers, and five guests.

Australia's Keating Cited on APEC Free Trade

BK1510132894 Hong Kong AFP in English 0700 GMT 15 Oct 94

[FBIS Transcribed Text] CANBERRA, Oct 15 (AFP)—Australian Prime Minister Paul Keating on Saturday called on the Asia Pacific Economic Cooperation (APEC) forum to set a realistic date for free trade among members. He was welcoming a report by 36 business leaders from the 18 members of the group which, according to media here, called for APEC to consider a relatively quick transition to free trade with 2002 as the target date for the group's developed economies and 2010 for all the countries involved.

The Pacific Business Forum is to officially present its report, A Business Blueprint for APEC, on Saturday to current APEC chairman, Indonesian President Suharto. Suharto is to host an APEC leaders summit at Bogor, West Java, on November 15.

Keating said that central to the PBF's "vision for a dynamic and prosperous Asia-Pacific is the need for rapid movement toward free trade and investment liberalisation in the APEC region." He said it was "good to hear business voices speaking out in favour of trade liberalisation in their own and other APEC economies.

"As I have said before, Australia fully supports the idea of setting a serious, but realistic date for the achievement of free trade in the APEC region."

An APEC adviser's group has already recommended the forum consider a phasing out of trade barriers within the region starting in 2000 and ending for all countries in 2020.

"We don't really care what the final date is as long as it's not so far away as to be ridiculous, which I think anything beyond 2020 would be," Australian Trade Minister Bob McMullan said this week.

The PBF's recommendations range from a common APEC customs code, to visa-free entry for short-term business visits within APEC, to encouragement of training programs to improve the region's skills base, it was reported here.

APEC groups the ASEAN countries; Brunei, Indonesia, Malaysia, Philippines, Singapore and Thailand, with Australia, Canada, China, Hong Kong, Japan, South Korea, Mexico, New Zealand, Papua New Guinea, Taiwan, the United States and, from November, Chile.

Global Securities Regulators Meeting Opens

OW1610080394 Tokyo KYODO in English 0104 GMT 16 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 16 KYODO—Global securities regulators kicked off a six-day convention Sunday [16 October] in Tokyo to discuss derivatives and other issues involving international financial transactions.

Some 800 officials from 110 regulatory bodies in 64 countries and two regions gathered at a Tokyo hotel for the meeting, which continues until Friday under the auspices of the International Organization of Securities Commissions (IOSCO).

This will be the first yearly general meeting of IOSCO to be held in Asia.

IOSCO is an international body established in 1983 to promote global cooperation in securities markets.

Japanese members include officials of the Finance Ministry, Securities and Exchange Surveillance Commission, Tokyo Stock Exchange and Japan Securities Dealers Association.

The meeting will include closed-door discussions and open panel discussions—both centering on derivatives, disclosure and regulations on secondary markets.

The panel discussions will also devote a relatively large amount of time to examining "emerging markets," led by Asia.

A joint statement will be issued on the final day Friday, and this is expected to confirm closer cooperation in regard to disclosure and risk management of derivatives, off-exchange stock trading, and other advanced transactions, Japanese officials said.

The Finance Ministry officials said disclosure rules will also be established relating to the growing off-exchange computerized stock trading among institutional investors in the United States, which features mandatory reporting of transactions to authorities and regular disclosure of traded stocks and their amount.

The computerized curb stock market, known as "screen-based trading," works under on-line computer systems linking institutional investors through telecommunications networks managed by news agencies, with orders settled automatically between participating investors, to allow an unlimited trading time and low costs, such as no brokerage commissions.

The officials said uncertainties remain over whether the regulators will agree on further concrete measures for financial derivatives—including such off-balance products as swaps, futures and options used to hedge credit risk.

With no clear rules currently established concerning the two advanced transactions, regulators are finding it difficult to grasp situations accurately, and concern is spreading that speculative investment may cause unnecessary volatility on official exchanges and could also lead players to incur heavy invisible losses.

Japan

Kono: 'We Welcome' U.S., DPRK Nuclear Accord

OW1810023994 Tokyo KYODO in English 0215 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—Japan on Tuesday [18 October] welcomed a fresh agreement between the United States and North Korea on Pyongyang's alleged push for nuclear weapons.

"We welcome the accord reached between the U.S. and North Korea on North Korea's nuclear issue," Foreign Minister Yohei Kono said at a news conference.

While noting Tokyo has yet to hear details on the agreement, Kono expressed Japan's readiness to accept the contents of the pact.

Prime Minister Tomiichi Murayama told reporters Japan will continue efforts to ease tension on the Korean peninsula following the breakthrough in the standoff between North Korea and the international community.

Chief Cabinet Secretary Kozo Igarashi told a news conference Japan understands its demands such as verification of Pyongyang's past nuclear activities are included in the U.S.-North Korea pact.

"We will continue striving to help resolve this issue in close consultation with the U.S. and other countries," he said.

Top negotiators from the U.S. and North Korea have reached an accord on nuclear issues and will sign agreed documents on Friday after obtaining approval from both governments, U.S. Ambassador-at-Large Robert Gallucci said in Geneva early Tuesday morning. The agreement covers North Korea's past, present and future nuclear activities, and further negotiations will be needed to implement its contents, Gallucci told reporters.

Meanwhile, Kono expressed hope the stalled Japan-North Korea negotiations on the normalization of bilateral relations will be resumed following the latest accord on the nuclear issue.

"Generally speaking, it is evident that one obstacle has been removed," he said.

Further on Kono Remarks

OW1810024994 Tokyo NHK General Television Network in Japanese 0103 GMT 18 Oct 94

[Announcer-read report; from "NHK News" program]

[FBIS Translated Text] In reaction to accords reached at the high-level U.S.-DPRK talks in Geneva, Foreign Minister Yohei Kono commented at a news conference following a regular cabinet meeting this morning: "We have been informed that accords have been reached at the U.S.-DPRK talks, although it seems the negotiators of both countries must still report to their governments and get approval. However, we would like to welcome the fact that the issue of the DPRK's suspected development of nuclear weapons has been resolved at the talks."

Regarding the Japanese-DPRK talks on diplomatic normalization, which have been suspended since November 1992, Kono also said that although this is a problem that must be dealt with in the future, it can be generally considered that one of the barriers has been clearly removed. In this way, he indicated that the latest U.S.-DPRK accords should act favorably towards helping resume the Japanese-DPRK talks.

Financial Aid Needed in DPRK Reactor Conversion

OW1710110994 Tokyo ASAHI SHIMBUN in Japanese 15 Oct 94 Morning Edition p 2

[FBIS Translated Text] It was learned on 14 October that the United States and North Korea are close to a final agreement at the bilateral high-level talks held in Geneva on Pyongyang's alleged nuclear arms development. Regarding this situation, the Japanese Government has decided to basically accept the possible agreement, saying: "We will respect the bilateral consultation results" (according to a senior Ministry of Foreign Affairs [MOFA] official). The government has urged elimination of the DPRK's suspected past involvement in developing nuclear arms, saying this is the "unnegotiable condition" (according to the same official). However, the possibility of leaving this suspicion unresolved may emerge due to an abrupt settlement of the nuclear talks. In addition, the government must deal with the tough issue of the enormous amount of financial aid needed to build light-water reactors in the DPRK and for substitute energy sources.

The MOFA said that, from time to time, the United States briefed Japan on developments in the U.S.-DPRK consultations. In those briefings, Japan repeatedly explained its view: "It is important to clear up the suspicion of past nuclear programs, as well as to form an international framework for the light-water reactors conversion program." Furthermore, the government unofficially informed Washington of its intention to accept the agreement on condition that the United States and North Korea reach an agreement that basically meets Japan's demand.

The United States has been negotiating with the DPRK on political issues that directly affect the national security of Japan and South Korea. In view of such a situation, it would be difficult for the Japanese Government to reject a compromise plan, which the United States may propose to the DPRK as a tactic in its negotiations. At the same time, Japan must consider the feelings of the ROK, which, as does Japan, seeks elimination of "past" suspicions.

Japan officially expressed its stand that it will not cooperate with North Korea in the conversion of light-water reactors unless its suspected past efforts to develop nuclear arms are cleared up. However, on the evening of 14 October, Chief Cabinet Secretary Kozo Igarashi told reporters: "If a new situation arises between the United States and the DPRK, Japan will study a new policy to deal with it." He thus hinted at the possibility that, depending on the agreement's details, Japan will agree to postponing special IAEA inspections, and begin to provide financial support to North Korea even if the agreement contradicts Japan's present policy.

The government believes that if the U.S.-DPRK talks rupture, the solution to this problem will have to start from scratch. In other words, the rupture will create the worst situation—a UN Security Council sanction resolution and implementation of sanctions, such as a sea blockade.

While adhering to its decision to "watch the developments of the U.S.-DPRK talks," the Murayama Cabinet has expressed to the United States its readiness to help the DPRK purchase coal as a substitute energy source. Thus, Japan has made behind-the-scenes efforts to indirectly support consultations in line with developments of the consultations.

However, several concrete tasks—such as ways to secure funds for building light-water reactors for North Korea—are still left untouched. It is inevitable that expenses for reactor conversion, which are likely to be several billion dollars, will create controversy in Japan because of its connection with issues concerning the future resumption of Japan-DPRK normalization talks.

Japan provided $13 billion in aid during the 1991 Gulf war. In view of this fact, an increasing number of Japanese Government officials feel that it is difficult for Japan to reject U.S. demands in case Washington pressures it, saying: "Why cannot you provide funds to the DPRK?"

Spokesman on Readiness for Talks on DPRK Aid

OW1810131894 Tokyo NHK General Television Network in Japanese 1018 GMT 18 Oct 94

[Announcer-read report; from "News 7" program]

[FBIS Translated Text] In response to the U.S.-North Korean accord on the nuclear issue, Foreign Ministry Spokesman Terusuke Terada this evening gave the press the following statement on behalf of the Japanese Government:

As long as there is a guarantee there will be an investigation of suspicions about North Korea's past nuclear development, the Japanese Government is happy to take part in international framework talks on assistance for the nation.

Terada's statement is considered a sign of the Japanese Government's readiness to promote consultations with the United States and the ROK on tangible measures to aid North Korea.

Officials on Nuclear Test Delaying PRC Talks

OW1810065794 Tokyo NIHON KEIZAI SHIMBUN in Japanese 16 Oct 94 Morning Edition p 3

[FBIS Translated Text] The final work of deciding on a total amount for the 4th yen-based loans to China is up in the air. Fearing that an underground nuclear test conducted by China on 7 October might run counter to the principle of the guideline for the Official Development Assistance (ODA), which calls on the government to "pay full attention to any moves by ODA recipients to develop and manufacture weapons of mass destruction," the Japanese Government has hurriedly decided to call off the planned working-level talks to be held in Beijing on 17 October with division-chief officials from the two countries attending in its implicit protest against China's underground nuclear test. A senior Foreign Ministry official said: "Japan is wary of a backlash from China, but what it is wary of most is the opinion at home and abroad." This is the reason the Japanese Government has decide to call off the planned working-level talks.

The Japanese Government planned to hold the working-level talks with China to discuss details of the 4th yen-based loans with a plan under which Japan provides 500 billion yen in the yen-based loans for 30 projects during the initial three years.

In reaction to China's underground nuclear test, Administrative Vice Foreign Minister Kunihiko Saito and Hiroshi Hirabayashi, Economic Cooperation Bureau director of the Foreign Ministry, have protested to China over the nuclear test. Commenting on the nuclear test undertaken by China, Yohei Kono, deputy prime minister and foreign minister has stated: "We will have to reexamine the 4th yen-based loans to China in light of the ODA principle." In this way, he has suggested the possibility of the Japanese Government reviewing the 4th yen-based loans to China.

Some government officials, especially from the Foreign Ministry, are insisting on the need to continue talks with China on the loans, saying: "The Japanese Government has protested to China over the nuclear test, but it should not use the ODA as a tool for political negotiations with China. The Japanese Government should continue to hold working-level talks." At first, the government studied the possibility of holding the working-level talks with China to discuss how to set a total amount for the 4th yen-based loans to China regardless of the nuclear test undertaken by Beijing. However, the Ministry of International Trade and Industry has advised against holding working-level talks, saying: "Holding such bilateral talks on the yen-based loans to China could be seen by international opinion as Japan's insensibility to the nuclear test." As a result, the Japanese Government has decided to call off the working-level talks.

A senior Foreign Ministry official remarked: "China is saying it would be good if the two countries decide on the amount of the 4th yen-based loans by the end of this year." The Foreign Ministry plans to resume working-level talks in early November and another set of working-level talks to be attended by bureau-chief officials from the two countries in December to decide on the total amount for the 4th yen-based loans. Nonetheless, the world's attention is focusing on the future leadership in China as the health of Deng Xiaoping, China's paramount leader, is rumored to be deteriorating. There is a possibility that one sticky issue after another could arise between the two countries while the Japanese Government watches the siltation in China and the work of setting the total amount for the 4th yen-based loans to China could be bogged down.

MITI Chief Hopes For Talks With Taiwan Counterpart

OW1810013394 Tokyo KYODO in English 0050 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—International Trade and Industry Minister Ryutaro Hashimoto said Tuesday [18 October] he hopes to meet with his Taiwanese counterpart during the upcoming Osaka conference of the Asia-Pacific Economic Cooperation (APEC) forum.

"I asked the (Trade) Ministry to make maximum efforts to arrange the meeting," Hashimoto told a news conference.

Hashimoto will host the two-day APEC meeting on small companies from Saturday, which will be attended by trade and economic ministers from 17 APEC countries as well as Chile, which will soon become an APEC member. Observers are watching to see whether Japan will accept a Taiwanese proposal to hold a bilateral ministerial meeting between Hashimoto and Taiwanese Economic Minister Chiang Ping-kun. About 10 countries have already requested bilateral meetings with Hashimoto.

"Physically, meeting with five or six ministers may be the limit," Hashimoto said.

Japan and Taiwan have held no formal ministerial meetings since Tokyo switched diplomatic ties from Taiwan to China in 1972.

Hashimoto expressed concern over the latest surge in the yen's value against the dollar. "The strong yen is a headache for Japan," he said. He said the latest series of the yen rises must be attributed to the German mark's strength against the dollar, and he will keep a close tab on coming developments in currency markets. The dollar dropped to the lower half of 97 yen briefly Monday [17 October], but the U.S. currency moved little against the yen Tuesday morning.

Hashimoto proposed that Japan's price trends should be further studied, especially the prices of intermediate goods, as a way to help narrow the large imbalance between prices at home and abroad.

"We should grasp the price trends not only for consumer goods but invisible goods," Hashimoto said. The trade minister said he will ask the business community to cooperate in providing necessary data for the proposed study.

On the nation's labor situation, Hashimoto proposed the further improvement of the environment for manpower agencies. He said life employment will continue to exist in Japan as demand for labor in key areas will rise on a long-term basis, despite other ongoing cuts in labor, increasing the future role of manpower agencies.

On the Japan-U.S. trade talks, Hashimoto reiterated the government's policy of not intervening in areas beyond government control, thus dismissing a string of provocative remarks made by U.S. trade officials following a partial agreement in "framework" talks at the beginning of October.

"They can say anything they want to say. But moves such as adding new elements to the latest accord would only wipe out efforts made so far between the two countries," Hashimoto said, referring to Washington's reported request for the Japanese Government's guarantee to achieve certain results in auto parts and glass trade.

Formal Talks Set for 22 Oct

OW1810043894 Tokyo KYODO in English 0411 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—International Trade and Industry Minister Ryutaro Hashimoto will meet his Taiwanese counterpart on Saturday [22 October] during the Osaka conference of the Asia-Pacific Economic Cooperation (APEC) forum, ministry sources said Tuesday.

Taiwanese Economic Minister Chiang Ping-kun has asked to meet Hashimoto during the conference, which opens Saturday. It will be the first formal ministerial talks to be held by Japan and Taiwan since Tokyo switched diplomatic ties from Taiwan to China in 1972. The two countries, however, held informal talks last year during the APEC ministerial conference in Seattle, the United States.

Hashimoto, who will host the two-day APEC meeting on small companies, will also hold talks during the conference with Wang Zhongyu, minister of China's State Economic and Trade Commission.

The talks with the Taiwanese and Chinese officials are expected to focus on Tokyo's relations with Beijing and Taipei, observers said.

Three Taipei Cabinet Ministers To Visit in Oct

OW1810112694 Tokyo KYODO in English 1111 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—Taiwan Minister of State Shirley Kuo and two other members of the cabinet will visit Japan later this month to attend a forum, informed sources said Tuesday [18 October].

The high-ranking politicians will attend a two-day annual meeting of the Asia Open forum in Yokohama from Oct. 29. The forum was established in 1989 with the aim to promote exchange between Taiwan and Japan in the absence of diplomatic ties.

Kuo, then chairman of Taiwan's Council of Economic Planning and Development, also attended the forum held in Kyoto two years ago, when she informally dined with then Chief Cabinet Secretary Koichi Kato.

According to the sources, no meetings are scheduled with Japanese politicians this time, apparently to avoid upsetting Beijing, which already strongly condemned Taiwanese Deputy Premier Hsu Li-te's unofficial visit to the Hiroshima Asian Games earlier this month. China regards Taiwan as a rebel province.

Car Buyer Satisfaction Data Disclosure Discussed

OW1810110394 Tokyo NIHON KEIZAI SHIMBUN in Japanese 16 Oct 94 Morning Edition p 1

[FBIS Translated Text] As a result of the decision to ease regulations on "automobile registration data" at the Japan-U.S. framework talks, the U.S. survey firm J.D. Power will formally begin operations in Japan. This was the result of a compromise between the two countries, but the decision also leaves a number of issues unresolved, the most important of which is whether to "disclose the survey results." Unless the company commissioning the survey agrees, the results cannot be published. In that case, the survey may not contribute to raising consumer consciousness on the quality of cars and services offered.

At this point, the major Japanese car manufacturers are doubtful about the need for a comprehensive survey of customer satisfaction (CS). The reason is: "Japanese users are strongly influenced by dealers and salesmen they are acquainted with; they do not buy cars based on objective investigations." (according to Toyota Motor Corporation)

However, even Toyota admits that "J.D. Power's survey results contributed significantly" to Japanese cars' popularity in the United States in the past.

The issue of privacy is expected to be a point of contention. The Transport Ministry maintains that, "We cannot hand over government-controlled private information directly to a company that will profit from it." However, restrictions on the use of automobile registration lists will, in reality, be relaxed under a "multi-client method."

In Europe, user data is not published and CS surveys are not conducted as extensively as in the United States. Even in the United States, where data is easily available, some states, such as California, have stopped information disclosure. The question of privacy is left to the corporate ethics of the survey firms and database companies in the United States. In Japan, the disclosure of survey results and the protection of privacy are two issues that still need to be resolved.

NASA Appeal for Space Damage Disavowal Considered

OW1810110794 Tokyo YOMIURI SHIMBUN in Japanese 16 Oct 94 Morning Edition p 2

[FBIS Translated Text] It was learned on 15 October that the United States had presented its request to Tokyo that "the Japanese Government's total waiving of the right to damage claims in case of accidents should be prerequisite" to Japan-U.S. cooperation in space development operations, including Japanese astronauts' participation in U.S. space shuttle flights.

Presently there is no disclaimer agreement between the two countries. The U.S. request may create a conflict between the two countries in the area of space development because diplomatic negotiations on this issue could take a long time. Takao Doi, an astronaut of the National Space Development Agency [NASDA], is scheduled to participate in training in the United States in January 1995 and Koichi Wakata, another NASDA astronaut, is to join a space shuttle flight next autumn. However, some people are worried that the U.S. request may jeopardize their participation.

According to the Science and Technology Agency [STA], the request came about a month ago from the U.S. National Aeronautics and Space Administration (NASA). In the request, NASA asked Japan for a government-level commitment to waive damage claims for space flights involving Japanese astronauts and a drastic review of the entire Japan-U.S. space development project, in which Japan's International Trade and Industry Ministry and the Education Ministry participate.

When NASDA astronauts Mamoru Mori and Chiaki Mukai participated in U.S. space shuttle flights, the STA asserted: "NASDA is a special corporation. So, the government is not in the position to commit to disclaiming damages." However, the issue was settled by NASDA agreeing to include a damage disclaimer in its contract with NASA.

The recent request came at a time when the government soon has to decide on the start of training for astronauts Doi and Wakata. Some say the request reflects the U.S. view that a new framework of Japan-U.S. joint space development is necessary under the current situation in which the United States has been expanding its international space development projects, such as one to construct a new space station with Russia. The STA plans to discuss the matter with the Ministry of Foreign Affairs [MOFA] and decide on a course of action at an early date.

MITI To Aid Distribution of Housing Materials

OW1710140394 Tokyo TOKYO SHIMBUN in Japanese 16 Oct 94 Morning Edition p 3

[FBIS Translated Text] On 15 October, the Ministry of International Trade and Industry [MITI] disclosed that for the purpose of reducing prices of imported housing and construction materials, it has started studying measures to simplify the domestic distribution system, including establishing a system allowing engineering firms that receive housing construction contracts to procure materials directly from importers. By taking such measures, MITI expects that construction material prices—domestic prices are said to be two to three times higher than overseas prices—will be reduced, and thereby "break down" overall housing prices in Japan.

Generally speaking, building materials in Japan change prices five times before they are delivered from makers, to trading firms, to first wholesalers, to second wholesalers, to building material dealers, and finally to engineering firms. This is the main reason domestic prices are comparatively high compared to overseas prices. Therefore, MITI intends "to reform the construction industry's complicated distribution system by taking policy measures." In concrete terms, centers for housing and construction materials, which have become very popular in the United States and other countries, will be set up. Moreover, a system of ordering building materials through personal computer communications networks will be set up, and coordination will be promoted with concerned agencies and ministries, such as the Construction Ministry, on revising the Construction Standards Law, which has become a barrier to importing building materials.

Tokyo To Send Some Imported Rice to Third World

OW1710130194 Tokyo ASAHI SHIMBUN in Japanese 16 Oct 94 Morning Edition p 1

[FBIS Translated Text] With the partial opening of the rice market scheduled to start next year, the government has decided to utilize part of rice to be imported from foreign countries for assisting developing nations. It intends to prevent rice imports, which are expected to gradually increase by 2000, from spurring the surplus of rice. It has made the decision as the major part of its food and agricultural aid policy toward developing nations. However, the government plans to store imported rice at home for a set period of time and later send part of it to developing nations, so as not to violate the Uruguay Round agreement (under GATT's new multilateral trade negotiations) which calls on Japan to allow foreign rice access to the Japanese market. Since there are concerns within the government about opposition from rice exporting countries, the government is speeding up coordination on ways to manage its plan and other details.

In describing the "bill on stabilization of food supply-and-demand prices," which is to replace the current Food Control Law, to the ruling coalition parties on 14 October, the Ministry of Agriculture, Forestry and Fisheries [MAFF] briefed on its intention to allocate part of both domestic and imported rice as aid to developing nations. The government's emergency council on agriculture and farming villages' measures (headed by Prime Minister Tomiichi Murayama) plans to include its intention to promote food and agricultural assistance, including technical and financial aid, as its policy on international contributions, into the outline for measures related to the Uruguay Round agricultural agreement—the outline is scheduled to be worked out soon.

With regard to the handling of imported rice, agricultural groups opposing the rice market liberalization have so far demanded that "the whole quantity be allocated for assistance to foreign countries." Meanwhile, the MAFF has rejected the demand, saying "if imported rice is treated as an exceptional case, this will run counter to the GATT principle of not discriminating between domestic and foreign" products. The quantity of rice to be imported through minimum access, which was agreed to in the Uruguay Round talks, will increase from 379,000 tons next year to 758,000 tons in 2000. If a good rice harvest like this year's continues, the situation of surplus rice will certainly become serious.

For this reason, at first imported rice will be divided for two purposes: processing for staple food, "miso" [soybean paste], and other products, and storage. After being stored for a set period of time, part of the stored rice will be sent to developing nations and the remainder will be sold on the domestic market. Because rice imports will start in April 1995 and imported rice will be reserved for at least one year, it is expected that aid to developing countries will actually be studied after 1996 and onward. The quantity of rice to be allocated for aid "will be determined through a policy decision after observing the demand-and-supply situation," (as stated by the Food Agency).

In the early 1980's when rice was in surplus, the government "disposed" of more than 3 million tons of old domestic rice in total through food aid and deferred-payment exports with a certain grace period for the payment. However, since there is a possibility that deferred-payment exports will be regarded as exports with grants in response to the new round agreement, food assistance is reportedly the only way to dispose of the surplus rice abroad.

Although the government will decide on final details of the food aid plan, such as its scale and management, from now on, the Foreign Ministry is calling for cautious handling of the plan. This is because Africa and other regions, which include many recipient countries, are a good market for rice exports from the United States, Thailand, and Australia, and therefore opposition to Japan's rice assistance is expected to be voiced in those countries. The Finance Ministry is also worried about additional financial burden.

Kono Urges Burma To Restore Civilian Government

OW1710150594 Tokyo KYODO in English 1454 GMT 17 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 17 KYODO—Foreign Minister Yohei Kono urged Myanmar Foreign Minister Ohn Gyaw on Monday [17 October] to resolve the problem over releasing democracy movement leader Aung San Suu Kyi and transfer the current military junta to a civilian government.

On the release of Suu Kyi, Kono said it is a symbolic issue and Western countries are closely watching.

Kono also said if her treatment produces visible improvements, they would work positively for the country, officials said.

Ohn Gyaw referred to a meeting between Suu Kyi and two top officials of the military junta Sept. 20, and was quoted as telling Kono the government will continue talks with her, adding the meeting was conducted in a congenial atmosphere. She met senior Gen. Than Shwe and Lt. Gen. Khin Nyunt, secretary of the ruling State Law and Order Restoration Council, at a Defense Ministry guesthouse in Yangon [Rangoon].

The junta seized power after suppressing pro-democracy demonstrations in 1988 and placed Suu Kyi under house arrest in 1989 for allegedly endangering public security. Suu Kyi's National League for Democracy won a landslide victory in the 1990 general elections but the junta refused to accept the results of the elections. Suu Kyi won the Nobel Peace Prize in 1991.

Government Welcomes Jordan-Israel Peace Treaty

OW1810074394 Tokyo KYODO in English 0723 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—Japan welcomed Tuesday [18 October] the initialing of an historic peace treaty by Jordan and Israel the previous day, which cemented the end of their 46-year state of war.

The Japanese Government "heartily welcomes" the initialing and expects the treaty to be signed officially in the near future, Foreign Ministry Spokesman Terusuke Terada told a press conference.

Japan strongly hopes that the latest development will "give an impetus to the peace negotiations between Israel and Syria and those between Israel and Lebanon," and a comprehensive peace will be achieved as soon as possible, Terada said.

"Japan intends to continue its assistance for the peace process by urging the parties concerned to advance the negotiations, and by extending assistance to the Palestinians as well as the regional countries," he said.

Israeli and Jordanian Prime Ministers Yitzhaq Rabin and 'Abd-al-Salam al-Majali initialed the treaty in Amman following marathon talks by King Husayn, Rabin and top aides on the key thorny issues of water rights, border demarcation and security arrangements.

Shimizu Proposes Land Cleanup Plan to Kuwait

952A0031A Tokyo NIKKEI SANGYO SHIMBUN in Japanese 6 Oct 94 p 18

[FBIS Translated Text] Shimizu Corp. is cooperating in a cleanup and greening project in Kuwait where the soil was polluted by the destruction of oil wells during the Gulf war. It made a commissioned survey contract on 5 October with the Petroleum Industry Activation Center (Yasuoki Takeuchi, managing director) which received a request from the Kuwait National Science Research Institute. In the three-year period up to fiscal 1996, the company will establish crude oil disposal methods and compute the scale of facilities necessary for the greening project and the construction costs.

Three companies are cooperating in this cleanup and greening project: Arabian Oil, which will be the intermediary with the Kuwait side; Kubota, which has seedling culture technology; and Tonen, which will be in charge of crude oil disposal-related technology. Following dispatch of an advance team on 7 October, the survey team will dispatch second and third missions by the end of fiscal 1994.

On the expenses, the Petroleum Industry Activation Center has contracted to bear actual costs, but the maximum for the initial year is 110 million yen and amounts for fiscal 1995 and 1996 are undecided.

The targeted area is the al-Burqan area, which is the world's second-largest oil field region, located about 30 kilometers south of the capital, Kuwait. There are over 250 "oil leaks" where crude oil has collected and the total area amounts to 49 square kilometers.

Shimizu Corp., jointly with the Kuwait Science Research Institute, will begin in-house testing using centrifugal separation by heating equipment that will remove the soil and sand from the crude oil. After computing the optimum heating temperature and equipment rotating speed, they will begin verification testing with a model one-tenth the size of the actual equipment in fiscal 1995.

Murayama Discusses Disarmament, Maritime Safety

OW1810075894 Tokyo NIHON KEIZAI SHIMBUN in Japanese 17 Oct 94 Morning Edition p 2

[FBIS Translated Text] The Defense Agency and the Maritime Self-Defense Force held a naval review on the Sagami Bay off Kanagawa Prefecture on 16 October. Prime Minister Tomiichi Murayama inspected the review. After landing on the deck of the escort ship "Shirane" by helicopter, Murayama delivered a speech, in which he indicated his intention to promote disarmament. He said: "The international community is currently struggling to establish a new security framework. Japan also needs an extensive study of future defense policies to cope with changes in the international situation and limited human resources in the future."

The naval review, which was the 20th, was held for the first time in two years. The last was held in October 1992. The unit to be inspected was composed of 45 aegis ships such as "Kongo" and 52 airplanes. Aegis ships were included in the unit for the first time. This was the second time that Murayama had attended official functions conducted by the Self-Defense Forces [SDF]. He attended a meeting of high-ranking officers in September. Murayama recently changed the basic policies of the Social Democratic Party of Japan and admitted that "the SDF is constitutional."

Following the lead of former prime ministers, Murayama also touched on the need for sea lane (marine traffic route) defense in his speech. He said: "It is very important to ensure the safety of marine traffic to maintain the peace and security of Japan. In this regard, Maritime SDF duties are very important." He also gave words of encouragement, saying: "It is encouraging to see the majestic appearance of ships and airplanes and a brave figure of troops of high morale." Murayama is also scheduled to attend an inspection of troops on 30 October.

DA To Station FSX Fighters at Gifu Base

OW1810084794 Tokyo TOKYO SHIMBUN in Japanese 15 Oct 94 Morning Edition p 22

[FBIS Translated Text] The Defense Agency [DA] decided on 14 October to station the next generation support fighters (FSX) it is developing to replace the Air Self-Defense Force's [ASDF] F-1 support fighters at the ASDF's Gifu Base in Kakamigahara City, Gifu Prefecture for test flights by the end of FY95. Test flights are expected to take place for three years, and if all problems are cleared, actual operational deployment will begin in FY2000.

The FSX is the most advanced fighter jointly developed by Japan and the United States based on the U.S. F-16 fighters. It is equipped with a number of products of Japanese technology, such as a highly sophisticated active phased-array radar system, and the use of composite material to reduce the weight of the aircraft.

At present, Mitsubishi Heavy Industries' Nagoya plant is manufacturing the experimental aircraft, and expects to finish in January 1995. After Mitsubishi carries out various tests for one year, the aircraft will be turned over to the DA.

Deployment of the first FSX at the Gifu Base will take place by March 1996, and in FY96, three more aircraft will be added to make a team of four. The ASDF's Aviation Development and Experiment Wing at the Gifu Base will take charge of the test flights.

In preparation for the deployment of the FSX, the Gifu Base is expected to start the renovation of its hangars and other facilities, construct an electronic maintenance workshop, and refurbish its soundproofing system in the current fiscal year.

DA plans to start the mass production of the FSX from FY96, and actual operational deployment will be possible by FY2000. The new fighters are expected to be stationed in the Third Air Wing at the Misawa Base in Aomori Prefecture, which has an F-1 flight squadron, and the Eighth Air Wing at the Tsuiki Base in Fukuoka Prefecture. A total of around 70 aircraft are expected to be produced.

DA To Introduce Satellite System in ASDF

OW1810090694 Tokyo NIHON KEIZAI SHIMBUN in Japanese 15 Oct 94 Evening Edition p 1

[FBIS Translated Text] The Defense Agency [DA] plans to introduce a satellite communications system in the Air Self-Defense Force [ASDF] by 1998. It will use electric wave relay devices (transponders) on a satellite to be launched by Space Communications Corporation (SCC: head office in Shinagawa, Tokyo; Yoshio Taniguchi serves as president), a satellite operator belonging to the Mitsubishi group. The agency has already introduced the system in the Maritime Self-Defense Force [MSDF]. For the SCC, the ASDF will be an important customer who will assure the company of stable earnings.

Currently, the ASDF uses shortwaves for radio communication between planes and ground stations and between planes. However, the shortwaves are susceptible to ionospheric influences and tend to be hampered by noise. Thus, the DA decided to introduce a satellite communications system in the ASDF by 1998. It included funds totaling 500 million yen [Y] in its fiscal 1995 budget request to procure receivers and transmitters to be mounted on ASDF airplanes.

The agency will sign a contract with the scc to use about four transponders on a satellite to be launched by the SCC in the middle of 1997. The satellite communications system will be used by ASDF's low-speed aircraft, such as transport planes and helicopters.

Since 1990 the DA has used four transponders on the SCC's existing "Superbird A" and "Superbird B" satellites for MSDF satellite communications. Also, it has used a transponder for the integrated defense digital network (IDDN), which connects between major bases and camps. It pays approximately Y8 million annually to the SCC for the use of these transponders.

The SCC is to order its third satellite for Y3 million. The company, however, reported a deficit of Y48 billion in its financial results for the term ending March 1994. The competition among domestic and foreign satellite operators to win private customers will inevitably intensify from now on. In such a situation, the use of satellites by the DA and other government offices will assure the SCC of long-term, stable profits. It will help prevent a further drop in the company's earnings.

Murayama Urges Ministers To Stress Reform

OW1810033294 Tokyo KYODO in English 0239 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—Prime Minister Tomiichi Murayama on Tuesday [18 October] urged cabinet ministers to take the lead in pushing ahead with administrative reform. The premier made the appeal at informal cabinet talks on administrative reform, which he has publicly said is the top priority policy task of his cabinet.

During the session, Management and Coordination Agency Chief Tsuruo Yamaguchi called on government ministries and agencies to come up with items for a review of publicly funded companies by Nov. 25, Chief Cabinet Secretary Kozo Igarashi told a news conference.

The handling of a wide array of public companies set up by government ministries and agencies has been a major target of administrative reform.

Critics charge that many of the public companies serve as little more than homes for retired bureaucrats and are a drain on the tax-paying public.

Igarashi said the government is planning to hold public hearings on how to achieve administrative reform.

Murayama Seeks To Reassure on Nuclear Policy

OW1810081994 Tokyo KYODO in English 0719 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—Prime Minister Tomiichi Murayama sought Tuesday [18 October] to smooth over angry reactions from voters and traditional supporters of his Social Democratic Party of Japan (SDPJ) following earlier remarks endorsing construction of new nuclear power plants.

"Picking sites for new nuclear power plants should be conducted with maximum caution," the premier told the House of Councillors budget committee.

"Unless (the government) secures understanding and cooperation from local residents and municipalities such as prefectures, cities, towns and villages, it cannot press ahead (with the selection)," he said.

His statement followed angry protests from antinuclear activists and some SDPJ backers over Murayama's remarks in the Diet on Wednesday that his administration will stick to previous administrations' policies of supporting construction of new nuclear plants. The SDPJ had long campaigned on a platform opposing nuclear power.

Murayama also told the committee the government will make efforts to accomplish the development of alternative energy sources, referring to a government-set goal of developing energy sources to substitute oil by the year 2010.

Meanwhile, International Trade and Industry Minister Ryutaro Hashimoto said the government will try to resolve a row over auto parts purchases with the United States without arranging any government intervention in the auto industry's procurement decisions.

"We would like to resolve the current problem by taking a gradual approach," he said, apparently referring to a suggestion that the government should encourage the industry to step up purchases of U.S.-made auto parts.

Later in the day, Murayama defended a government decision to increase the current 3 percent consumption tax to 5 percent in response to a question from Shinseito legislator Jin Murai, a former parliamentary vice finance minister.

"Any indirect tax has essentially the regressive character," Murayama said in reference to criticism that the proposed consumption tax hike is unfair as it would hit the worse-off more harshly by subjecting their daily necessities to a higher tax.

Therefore, "it is crucial to give special consideration to people in low-income brackets in deciding on items of budgetary expenditures," he said in apparent reference to welfare outlays.

Murayama also said a multiparty configuration would be better for Japanese politics than a bipolar scenario.

In order for politics to reflect the varying values of the people as precisely as possible, more than two parties are needed, Murayama told the upper house budget committee.

He also voiced support for banning corporate donations to political parties in the planned review in five years of the Political-Fund Regulation Law.

Government Panel Rejects Assets Tax Reform

OW1810094594 Tokyo KYODO in English 0928 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—A blue-ribbon government panel on Tuesday [18 October] rejected recent industry requests for overhauls in securities transaction and other assets-related taxes in the next fiscal year. The government should deal with assets-related taxes from a "medium term" perspective, Kan Kato, chairman of the Tax Commission, told reporters after a panel meeting.

"It's too early," he said in indicating that his panel has no intention of seeking a conclusion on asset-tax overhauls under its talks on fiscal 1995 tax revision.

Kato expressed doubt for any immediate need, while acknowledging the growing industry and public attention being given to asset taxes especially over the land value tax and securities transaction tax.

Noting the securities transaction tax as an example, Kato said it is "just one of the many factors such as high rents that are prompting foreign capital to move out of the Japanese financial market."

The securities and banking industries are calling for abolition of the tax which they claim is leading to a "hollowing-out" of Japan's financial market.

Kato noted that most panel members at the Tuesday meeting agreed that discussions on overhauling asset taxes will take "one to two years" in line with the overall restructuring of the Japanese economy.

"The government must first set clear principles for the economic restructuring" which is directly linked to asset-tax reform, Kato said.

Meanwhile, the panel intends to move its discussions "one step forward," he said, noting that a mission of four members will be sent to Europe from Oct. 30 to Nov. 7 to study land taxes there.

Considering the government's tax reform bills on cutting income taxes and hiking the consumption tax, the panel said they were "still half a step" from its earlier proposals, and agreed to continue discussions to move forward by a "full step," Kato said.

Diet Agrees on Forming Special Tax Reform Committee

OW1710142794 Tokyo KYODO in English 1359 GMT 17 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 17 KYODO—Ruling parties agreed to accept a demand by major opposition forces Monday [17 October] to set up a special tax reform committee in the House of Representatives, paving the way for full-scale debate Tuesday on overhauling the nation's tax system.

Under the special committee, both sides will discuss a package of tax reform bills submitted to the Diet by the cabinet of Prime Minister Tomiichi Murayama, officials said.

As the chairman for the committee, which will be run by 45 lower house members, the ruling parties picked former Economic Planning Agency chief Osamu Takatori of the Liberal Democratic Party (LDP).

The lower house will open a plenary session Tuesday by establishing the special committee and then starting deliberation of the government-proposed tax reform bills.

In on-and-off talks Monday, the opposition parliamentary group Kaikaku (Renovation) set the establishment of the special committee as a condition for starting deliberation at the lower house plenary session.

By overriding strong opposition within its ranks, the leadership of the ruling forces finally conceded to the request, worrying that opening the plenary session without the presence of opposition forces will affect Diet affairs for discussing other important bills, Diet sources said.

In return, the ruling forces—the LDP, the Social Democratic Party of Prime Minister Murayama and New Party Sakigake—got an agreement from the opposition to end deliberations on the tax reform bills by the end of the current extraordinary Diet session Dec. 3, they said.

The government-proposed tax reform bills include a plan to hike the current 3 percent consumption tax to 5 percent in April 1977.

SDPJ Local Chapters Said Breaking With Center

OW1810094994 Tokyo YOMIURI SHIMBUN in Japanese 17 Oct 94 Morning Edition p 2

[FBIS Translated Text] Moves are afoot among local chapters of the Social Democratic Party of Japan [SDPJ] to break away from or confront their party headquarters in Tokyo. The Hyogo Prefectural Chapter is now moving toward forming a "Kinki Party" as a regional party in the Kinki region to prepare for proportional representation elections for the House of Representatives by creating the "Rengo [the Japanese Private Sector Trade Union Confederation]-five party consultative council" on the basis of the framework of former ruling coalition parties. The Shiga Prefectural Chapter and the Osaka City Chapter are also voicing willingness to join the new regional party. Meanwhile, many other local chapters are reacting against the SDPJ's policy change. The Hiroshima Prefectural Chapter has decided to uphold the SDPJ's traditional policy of regarding the Self-Defense Forces [SDF] as unconstitutional and opposing the Japan-U.S. Security Treaty. Some party members in the Niigata Prefectural Chapter have announced plans to form a local party, and the Okinawa Prefectural Chapter is increasingly showing signs of acting independently. This phenomenon might shake the foundation of the SDPJ.

Reacting against the inauguration of the Murayama government formed in July by the Liberal Democratic Party [LDP], the SDPJ, and Sakigake [Harbinger], the Hyogo Prefectural Chapter claimed, "Our chapter cannot tolerate the LDP's return to power." The Hyogo Prefectural Chapter has created the "Rengo-five party consultative council." Akiji Motoaki, chairman of the Hyogo Prefectural Chapter (a member of the House of Councillors), who is said to be leaning toward the former ruling coalition parties, plans to compile a unified candidate list in the Kinki region for the proportional representation election for the House of Representatives, and to use the council to form a "Kinki party." The Shiga Prefectural Chapter and the Osaka City Chapter also have their own blueprints for forming a "Kinki party."

There are a lot of problems ahead of them, however. The Wakayama Prefectural Chapter in the Kinki region is negative about the blueprint, revealing differences among prefectural chapters in the Kinki region over forming a "Kinki party." Prefectural chapters that intend to form a "Kinki party" have no specific plans on what to do with their relations with the party headquarters in Tokyo. If the prefectural chapters make moves to materialize the blueprint, the party headquarters in Tokyo is expected to take strenuous measures to counter such moves. A senior member of a pro-Murayama group within the SDPJ is guarding against the blueprint, saying, "It could spark intra-party moves to disband the SDPJ."

In Niigata Prefecture, former supporters of the SDPJ formed a "civic Niigata new party" this January. Speaking at the inauguration ceremony, House of Councillors member Masatoshi Ito, who is aligned with the "new party-defending constitution liberal group" after defecting from the SDPJ, said: "The historical mission of the SDPJ is finished. At this time, moves are spreading nationwide to create a new political system." The new party in Niigata Prefecture aims to field about 10 candidates in unified local elections to be held next spring, and to win former supporters of the SDPJ over to its side in the local elections.

The Hiroshima Prefectural Chapter has decided to act independently from the Tokyo headquarters by upholding the SDPJ's conventional basic policies. Katsukuni Komori, a member of the House of Representatives (elected in the third district in Hiroshima), who has broken away from the parliamentary group of the SDPJ during the current Diet session, is enthusiastically supporting the Hiroshima Prefectural Chapter's decision, saying, "We will be able to win support from our voters in Hiroshima Prefecture for the decision."

Noboru Hoshuyama, director general of the Defense Facilities Administration Agency, remarked, "I hope Okinawa will change itself in the direction of living together and coexisting with military bases." His remark has led the Okinawa Prefectural Chapter to cut off its relationship with the SDPJ headquarters in Tokyo, and a mood is building within the prefectural chapter to act independently from the Tokyo headquarters. The Central Executive Committee of the SDPJ approved the retraction of the controversial remark by Hoshuyama on 13 October, but the Okinawa Prefectural Chapter still remains unhappy with the retraction and plans to press ahead with calls for his resignation. The Okinawa Prefectural Chapter is taking a hard line with the Tokyo headquarters because of its opposition to the change in the SDPJ's basic policies, including the policy on the SDF. The prevailing view is that it will be difficult for the Tokyo headquarters to patch up its relationship with the Okinawa Prefectural Chapter.

SDPJ Secretary Comments on Possible Election

OW1710153794 Tokyo MAINICHI SHIMBUN in Japanese 15 Oct 94 Morning Edition p 2

[Unattributed article: "Kubo Comments on General Election Making a Stir in the Political World"]

[FBIS Translated Text] Wataru Kubo, the secretary general of the Social Democratic Party of Japan [SDPJ], repeatedly commented on the possibility of dissolving the House of Representatives to hold a general election. This has been creating a stir in the ruling and the opposition parties. Kubo, in an informal meeting held at the Diet on 14 October, explained: "The possibility of holding an election is zero. But now that political realignment has been rapidly promoted, I cannot say 'the election is out of the question.' My duty is to instruct every member of the party to prepare for an electoral battle." A prevailing view in the political world on these comments is that "Kubo is trying to enhance the SDPJ's unity." However, since Kubo has also officially mentioned "the disbanding of the SDPJ" and the formation of "the new democratic and liberal party," some people are wary of his true intention behind the comments.

Creating a better environment for a New Democracy Alliance?

"The New Democracy Alliance," [Shin Minshu Rengo] [NDA] (led by Sadao Yamahana), the SDPJ middle-of-the roaders and rightist group which backs up Kubo, is trying to unite social democratic and liberal forces, such as the Democratic Socialist Party and part of the Japan New Party. However, while the former ruling parties are promoting the formation of the new-new party, the NDA is having difficulties in finding prospects for the future because its supporting labor unions, which the NDA counted on, gave a cold shoulder and said: "The NDA has not clarified its activity policy yet." Therefore, many people speculate Kubo intentionally referred to the election to create a better environment for the NDA by appealing that it is the SDPJ which has a right to dissolve the House of Representatives.

At an informal meeting on 14 October, Kubo emphatically said: "It is possible that a political situation, which no one ever imagined, could happen," and implied a move toward the formation of a new party mainly comprised of social democratic and liberal forces. On 13 October, Kubo explained to Prime Minister Tomiichi Murayama over the phone that his comments merely indicate "his intention to strengthen party unity." But he seems to be happy about his comments making a stir in the political world.

Ruling and Opposition Parties on Edge

So far, Kubo and other leaders of the government and the ruling parties have basically agreed to "hold the election in two years." If the election for the House of Representatives were conducted earlier, it is likely that the two ruling coalition parties, the Liberal Democratic Party, and the SDPJ, would break up, leading to a collapse of the Murayama administration eventually. Because of this, his comment came as a real surprise.

A senior SDPJ executive close to Kubo explained: "His true intention is to hold the opposition's move in check." Opposition parties have asked: "An immediate election is needed after enacting new election districts for single-seat constituencies of the House of Representatives." However, they are not ready for the election, nor are they ready to field prospective candidates. In addition, local dietmen, who will be a major force to fight in the general election, are now busy in preparing for the unified local election. They thus want to avoid having the general election early next year as a matter of fact. Taking an advantage of this situation, Kubo is trying to upset the political world by referring to the election over and over again.

Return of Yokomichi to Central Politics in Mind?

Kubo started commenting on the election after he met with Governor Takahiro Yokomichi in Hokkaido on 1 October. At a press conference on 8 October, Kubo asserted: "If the overwhelming majority of the Japanese people ask for it, we should consider a general election."

Some people think his comments "indicate his objective to have Yokomichi return to central politics." It is said that Kubo is trying to put Yokomichi up as a leader of the new party and urging this governor, whose term will expire next spring, to run for the House of Representatives election as a member of the new party.

Article Sees Grim Political Outlook

942A0622A Tokyo SEIKAI SHUNJU in Japanese Sep 94 pp 6-11

[Article by Hisayuki Miyake: "House of Representatives Election May Cause New Coalition Government To Disintegrate in the Air?"]

[FBIS Translated Text] **Three Coalition Parties, Their Intention To Stay in Power**

The Murayama administration's public support rate is very low. Although the Hosokawa and Hata cabinets had much higher support rates than they deserved in reality, compared to them, the Murayama administration does not even have "a quotation" for a congratulatory gift. The public support rate is 30 percent level, and nonsupport rate, 40 to 50 percent...a pitiful condition, indeed.

This is probably because the fact that the coalition of the Liberal Democratic Party [LDP] and the Social Democratic Party of Japan [SDPJ] that have been fighting each other as two major parties under the 1955 system and were thought to be mutually exclusive, like oil and water, was unexpected, and also that public opinion has been influened by the media that predict the "illicit union" of coalition government whose members do not share a common political policy would not last long, and it would be a short-lived cabinet.

However, I do not think that this cabinet would fail easily. I don't necessarily think that this administration would last long, either. However, I think it will last at least about a year until just before the House of Representatives election in 1995. The reason is that the LDP, the SDPJ, and Sakigake [Harbinger] each have intention to continue this cabinet and want to hold on to power.

The SDPJ became Hikaku-Dai-Itto [the first comparative political party] in the second election after World War II in 1947 and established the Katayama cabinet, consisting of SDPJ, Democratic Socialist Party [DSP], and Kokumin Kyodoto [National Cooperation Party]. However, this cabinet failed within a year. That was a bitter experience for the SDPJ. Back then, the economy was suffering severe inflation, and Confederation of Public Sector Trade Unions demanded a pay raise. A new revised budget was proposed, and since there was no other source of revenue, the pay raise was to be covered by the increase in public utilities charges.

However, SDPJ leftists, led by Mr. Shigesaburo Suzuki, rejected the revised budget bill together with the Liberal Party, which was an opposition party, in the budget committee meeting while DSP and Kokumin Kyodoto were absent and passed a recast bill. With this, the Katayama administration collapsed. Since then, the SDPJ has been out of power for forty-odd years. They have this experience of being forced to an "unduly low position."

This time, it was the neutrals-leftist group that was the driving force in establishing the Murayama cabinet.

Although Mr. Murayama himself is from the rightist group which is of the Wednesday Club of former Eda faction, it was the neutrals-leftist group that made him chairman of the SDPJ. Today, leftists have become the central power in the party to support Murayama, and considering the SDPJ's bitter experience that lasted half a century, at lease, they will not force a policy that may drive the Murayama administration into a corner. Take the issue of constitutionality of the Self-Defense Army and the security policy, since Mr. Murayama is saying that he will rewrite the documents on main principles, there will not be any contradiction with the LDP on basic issues, such as foreign policy and security policy.

Once they have made their chairman prime minister, it is clear that they will be very compromising.

Illusion that Businessmen and Bureaucrats "Support the LDP"

On the other hand, when the LDP had become an opposition party and its Executive Department learned that it did not know what to do with its huge body being out of power and how fragile it could become once it was out of power.

In other words, it thought that business circles and bureaucrats were LDP's cheerleaders, and this turned out to be a false belief in reality. It has learned a simple truth that business circles and bureaucrats are cheerleaders for "power" not for the LDP.

Therefore, it must regain power. However, although the LDP is Hikaku-Dai-Itto [the first comparative party], other parties would never support the government if its head is from the LDP. It was a strategy of the Executive Department led by Kono to join in a corner of political power, even though this might mean it is to support the SDPJ. If this had failed, Kono was aware, that he and [Yoshiro] Mori would have to resign, and everything would have been over for the LDP.

The reason the LDP had to challenge such a risky plan was that they were obsessed with power.

One of my close friends from the Kansai region, who used to be a cabinet member, said that when the LDP was a government party, he was fairly busy without even being an official.

When he arrived at the Diet members hall in the morning, there would be a group of lobbyists waiting for him already. These people sometimes were from industrial sectors or constituencies, and they would come in droves. And in between these meetings, directors from government offices would cut in and ask him to please understand their ministries' policies. No time for lunch. In evenings, he would have parties to attend. He didn't even have time for reading books, and he would become more and more dull.

However, when his party became an opposition party, all of a sudden, he found himself not having anything to do. There is no one waiting at his office in the morning. Some days, he does not have even one visitor. When he calls government offices, asking to send someone to his office to explain their policies, it is usually assistant managers that come to see him. He feels like saying, "Don't take me lightly." There's no party to attend at night. He goes home to eat with his old wife. "But isn't it nice to have time to read?" I would ask. He would say, "Not really. When you have too much time, you don't even feel like reading." No wonder, the LDP is addicted to power, or in other words, it needs to be back in power to be able to "exalt centripetal force."

If the LDP separates from the SDPJ, it will fall to the status of nongovernment party. It needs to treat this political power with great care.

Sakigake shares the same feelings. What Sakigake feared was that the SDPJ alone might return to coalition, and it might be left behind. With less than 20 members, Sakigake could not survive, if the single-seat constituencies election system is implemented. By all means, they would have to join in the corner of power. These are situations each party is in.

At any rate, the LDP, the SDPJ, and Sakigake will have to cooperate, and Sakigake will have to coordinate the three so that they will not fight among themselves.

As long as all three of them have reasons within themselves to maintain the coalition, there will not be a major collapse.

Still Smoldering North Korean Problem

However, the key is North Korean problem. With former U.S. President Carter's visit to North Korea, there was a strong indication that a settlement might be reached by negotiation. We can say that the Murayama cabinet was established because of this. However, it is difficult to predict how the situation will develop after the death of President Kim Il-song.

If Kim Chae-yul's policy should turn to a hardline strategy, then the international tension would intensify at once, and this would mean a crisis for the Murayama administration.

Concerning other domestic problems, I think the administration will be able to find a way out somehow. What worries the people most, concerning the new administration, is the soft-liner liberals who are strong in the SDPJ. In other words, people are worried that their tendency to want to stay within a framework, as represented by one-nation pacifism, and one-nation prosperity, may be reflected on their foreign and political policies.

This is a traditional characteristic of the SDPJ.

Under the just cause of not to allow revival of the policy of aggression and militarism, they stay away from making any commitment to or getting involved in international problems as much as possible. However, because of the recent high exchange rate of yen, the dollar is less than 100 yen, and Japan's GNP expanded substantially in appearance.

Presently, it is 4 trillion and several billion dollars. Since, the world's GNP is approximately $22 trillion, Japan's GNP accounts for 20 percent. It was 15 percent until recently, and Japan was called "one-sixth nation," and now it has become "one-fith nation."

Japan's allotted contribution to the United Nations was 12.45 percent, being responsible for one-eighth. However, in two or three years, the share will be 15.65 percent, making Japan "one-sixth nation." And now that Japan's GNP is one-fifth of the world's GNP, the world community would not allow Japan to be snug and cozy by itself.

For example, Germany has made sending troops on court's judgment out of the country for NATO constitutional if the lower house approved. This fulfilled the requirement to become a permanent member of the UN Security Council.

In Japan, the public opinion is split concerning whether Japan should become a permanent member of the UN Security Council. Shinseito and Komeito used to be positive about this matter. However, in the new Murayama cabinet, Prime Minister Murayama, Foreign Minister Kono, and Finance Minister Takemura are negative concerning this. There is the danger of Japan's becoming estranged from international request. Being a coalition increases a concern that each party in it may withdraw into its shell.

Going With the Masses and One-Nation Prosperity Ideology?

Another problem is the coalition government's tendency to go with the masses. In other word, it may put off dealing with issues that may cause public uproar. Concretely, take the consumption tax for example. It cut the income tax by 20 percent this year; however, to make this cut permanent in the system, a revenue source is necessary. The former coalition government tried to increase the consumption tax to 7 percent, but at least the Murayama cabinet would never increase it to 7 percent. Probably, it would try to settle it at 5 to 6 percent, and more than likely, it would be 5 percent. Right now, 1 percent consumption tax would bring in 2.2 to 2.3 trillion yen. This means 5 trillion yen lost in the income tax cut would be covered by 2 percent increase in the consumption tax, and the rest might be covered by correction of profit tax. However, this will only work for a while, and a few years later, the coalition government will have to deal with consumption tax increase again. The coalition government is to execute the tax cut while the national debt balance is over 200 trillion yen and the local bond balance is over 100 trillion yen, and with no other revenue resource. How will it make ends meet? Isn't it necessary sometimes to have the people take a bitter pill? In other words, I am concerned about the coalition government's tendency to go with the masses, which makes it put off dealing with pending problems, its one-nation pacifism, and one-nation economism.

The consumption tax increase which is to be the revenue source for the decreased tax will probably take place in 1997.

The new coalition government needs to decide on the increase in the tax rate within 1994, and for the next couple of years, it will need to establish a steady economy. However, will the new coalition last till then? Most likely it will not last. Take international cooperation concerning North Korea for example. It would need pressure from outside to reach a decision.

For Japanese society and for the Diet, it is difficult to make decisions in advance. The new coalition government will be behind most of the time in reaching a conclusion though it may receive international criticism.

This probably cannot be helped because this tendency is very much a part of Japan's social, geographical conditions and social atmosphere, regardless of whether the SDPJ is in charge or the LDP is in charge.

Cooperation Between the LDP and SDPJ in Election Is Difficult

Although the Murayama administration may clear all of the above problems, it will still have the problem of cooperation in election. Concerning redistricing of electoral districts, it will have the policy by the end of August. Chairman Ishikawa will give a report to Prime Minister Murayama, the government will notify chairmen of both House of Councils and House of Representatives, and the process of compiling the bill will begin. An extraordinary session of the Diet will take place in September, and the following three months from October to December will be a period for public acknowledgment of the enactment of the bill, and the actual execution will begin in January 1995.

One problem will arise and that is when to have the House of Councils election. The former coalition parties are saying that the government should ask for people's approval immediately, and the mass media are of the same opinion. However, there will be uniform local election in April, and in July there will be the House of Representatives' election. The House of Councils' election will have to wait at least until these elections are over. Probably, the LDP and SDPJ's plan is to have the election after the fiscal 1996 budget compilation.

A year ago, when the LDP went out of power and the Hosokawa administration was born, the people around Mr. Ichiro Ozawa were saying, "Even though the LDP had been a government party, by the time the coalition finishes three budgets, the coalition will be able to secure the support of the business sector, bureaucrats' organization, and any industry. Once this is achieved we will be able to defeat the LDP in the election." This time, the LDP will follow this theory, and the government schedule will probably be to do the budget at the end of 1994, at the end of 1995, and then to dissolve the House of Councilors at the beginning of the following year [1996].

However, will the public opinion allow this? I predict that the key will be where to find the consensus in the quarrel between the government, wanting to delay the election under the single-seat constituencies system, and the former coalition and mass media, suggesting that it should be done soon.

However, some say that the LDP and the SDPJ might say that the election will be held soon, and play their last trump card, by dissolving the Diet before the former coalition could act in concert.

This is because the former coalition is having difficulty establishing unity among themselves. Shinseito and Komeito are trying to make a new new party or parliamentary alliance, while DSP, Japan New Party [JNP], and Liberal Party are trying to form another faction.

Another problem is an urgent one. No wait is allowed for the House of Representatives election in July 1995.

Actually, when the LDP and the SDPJ were plotting to pass nonconfidence motion against the Hata cabinet, Secretary General Mori and the SDPJ were discussing cooperation between the two parties in the House of Representatives election. In the 26 single-seat constituencies (3 wins and 23 losses), where the LDP had lost in the last election, the LDP was not to have candidates where there were SDPJ candidates. Instead, those SDPJ candidates were to be jointly supported by the SDPJ and the LDP. But concerning 11 constituencies where the Rengo [National Confederation of Trade Unions] had won, the LDP was to have its own candidates. However, overwhelming majority in the LDP's prefectural federation and others think that now that the LDP has become a government party and since traditionally each party is supposed to have its own candidate, it is unthinkable to recommend enemy candidates from the beginning.

There are some districts in Shimane and Miyazaki where candidates have been already chosen on their own. The LDP policy is to adjust as much as possible with the SDPJ in single-seat constituencies. In two-seat constituencies, the policy is to have one candidate from SDPJ, and one from LDP each. In three-seat constituencies, it is to cooperate in the House of Representatives election under free competition; however, this may be difficult because of the pressure from lower organizations such as the prefectural federation.

The best thing to do is to have a jointly supported candidate by both the LDP and the SDPJ in the election in Aichi Prefecture to fill the seat vacated by Mr. Niima, who resigned. However, this will be very difficult. Aichi Prefecture will be a test case for the House of Representatives election.

At any rate, profitable cooperation in the House of Representatives election would be difficult, and there is the strong possibility that the Murayama cabinet may not be able to withstand the hurdle of the House of Representatives election and may disintegrate in the air.

Secretary General Mori says that he wants to clear that hurdle; however, since I know the atmosphere of the branch organizations, such as prefectural federation, I think that it would be very difficult.

Serious Internal Struggles in Shinseito and Komeito

How will the political situation develop after that? It is possible that the new coalition will be recast. The former coalition is not in harmony either.

In Shinseito, Mr. Keiwa Okuda and Mr. Kazuo Aichi, who used to be neutrals in the Keiseikai [Takeshita faction], are now strongly criticizing Ozawa and suggesting that the party accept the resignation Ichiro Ozawa has submitted as secretary general. They must have realized that they should be less Ozawa oriented to survive as a party. On the other hand, concerning Komeito's having become a nongovernment party, though Soka Gakkai accepted it, Soka Gakkai is afraid that the new cabinet may increase its attack on Soka Gakkai and may drag its Honorary Chairman Ikeda to the Diet meeting for questioning.

For that reason, Komeito General Secretary Ichikawa, who supported Ichiro Ozawa and drove the former coalition government out of power, is receiving an especially harsh treatment. Vice chairman of Komeito, Mr. Tsuneo Gondo, who is a prominent figure in the party, is launching a vigorous attack on Mr. Ichikawa. Komeito is having an internal struggle due to losing power.

Komeito is planning a party convention in November. It will probably be reorganizing the structure along the new line, with Mr. Kanzaki as chairman, and Mr. Ota as secretary general.

When Mr. Ozawa loses partner Yuichi Ichikawa, his influence in the coalition will diminish. Thus, every party has problem from the start, and it is very difficult to predict the future.

[Boxed item: *Hisayuki Miyake 1930: Born in Tokyo 1953: Graduated from Waseda University Literature Dept. Employed by MAINICHI SHIMBUN. As a political reporter, he was positioned in Prime Minister's Office, LDP, each nongovernment party, and each ministry and agency. Vice director in Political Department. Branch manager of Shizuoka office. Director, Special Report Department. 1976: became a political critic. 1978: TV ASAHI newscaster, commentator. From Sepember to December 1985: special member in the government Tax Commission. December 1988: National Land Development Principal Automobile Road Construction Council member. His literary work includes Men Who Compete for Prime Ministership (published by Jiji Tsushin Co.), etc.*

BOJ To Compile Statistics on Derivatives

952A0045A Tokyo NIKKEI KINYU SHIMBUN in Japanese 13 Oct 94 p 1

[FBIS Translated Text] The Bank of Japan [BOJ] will initiate a survey on derivatives trading beginning in April 1995. It plans on compiling data on transactions outstanding for 26 countries, centered on Japan, the United States, and Europe, and to publish a report in early 1996. Derivatives trading in instruments such as options and swaps has risen sharply, but no official statistics are available on such trading. The BOJ explains, "The survey will contribute to the transparency of the markets and provide data which are of benefit to financial institutions."

The survey will target financial institutions, cover transactions outstanding based on an estimated principal invested basis for trades in options and swaps covering interest rates and foreign exchange, as well as current market valuations. The BOJ is currently discussing the content of the survey and the documentation format with foreign central banks and will decide shortly on such matters.

It appears that the survey of derivatives trading by central banks will be combined with global joint surveys previously conducted at three-year intervals on foreign exchange trading volume. The first such survey is expected to be held in April 1995 and will subsequently take place at three-year intervals.

Derivatives trading to minimize risks emanating from fluctuations in interest rates and foreign exchange and for speculative purposes has expanded sharply in the advanced industrialized nations. According to General Accounting Office (GAO) independent data, trades outstanding as of the end of 1992 were $17 trillion. However, there were no accurate statistics available that revealed the real trading volume. The G-10 central bank presidents met at the monthly conference of the Bank for International Settlements (BIS) in Basel, Switzerland, and reached a basic agreement to begin a fact-finding survey on derivatives trading.

Ministry To Increase FY95 Public Works Budget

OW1810101394 Tokyo NIHON KEIZAI SHIMBUN in Japanese 17 Oct 94 Morning Edition p 3

[FBIS Translated Text] The Finance Ministry is planning to allocate a total of 9.25 trillion yen for public works in the FY95 budget, representing an increase of 4.1 percent over the initial budget for FY94.

The economy is on its way to recovery, and FY95 is the first year of the new basic public investment program (covering FY1995 to FY2004 and totalling 630 trillion yen). The Finance Ministry wants to demonstrate its positive attitude toward the steady improvement of the social infrastructure by increasing the FY95 budget by a margin similar to that of the present fiscal year (4.0 percent). An increase in the expenditures for agricultural public works in line with the partial liberalization of the rice market, and a review of the fixed distribution ratio of various public works projects are expected to the be focal issues in the formulation of the budget by the end of 1994.

The public work budget consists of ordinary public investment or general public works expenditures, and disaster relief and reconstruction funding, which are computed mechanically at the initial stage of budget formulation. Budget requests from the various government ministries and agencies for general public works totalled around 7.807 trillion yen, and for disaster relief and reconstruction, around 56 billion yen. The Finance Ministry is expected to approve these amounts as requested.

Included in the total public works budget are: part of the projects utilizing profits from the government's sale of Nippon Telegraph and Telephone Corporation (NTT) stocks (called NTT projects, totalling 1.3 trillion yen), and a portion of the "priority public investment allotment" (totalling 300 billion yen) newly created in the FY95 budget requests. The Finance Ministry plans to approve more than 1.1 trillion yen for NTT projects, and around 250 billion yen for priority projects.

The priority public investment allotment represents the total of "facilities expenses" covering public works for welfare, research institutions, and other categories, and expenditures for public works projects. In the past, facilities expenses have been one-seventh or one-eighth of the total amount of public works expenditures in the initial budget. Raising this ratio in the FY95 budget is being considered by alloting 50 billion yen for facilities out of the 300 billion yen budget, with the remaining 250 billion yen for general public works projects.

Other remaining issues in the budget formulation to be completed by the end of the year are an increase in agricultural public works spending, which the Ministry of Agriculture, Forestry and Fisheries and the ruling party Diet members specializing in agricultural issues are asking for in line with the partial liberalization of the rice market; and a review of the fixed distribution ratios of public projects.

One of the projects being proposed for an increase in the agricultural public works budget is an expansion of farm development (restructuring of paddy fields). The Finance Ministry is strongly opposed to allocating an amount in excess of the budget requests previously submitted. On the contrary, it wants to reduce the share of agricultural projects in the overall public works projects. In the review of the share of other public works projects, the basic principle is to give priority allocation to those related to the improvement of the living environment, such as housing and sewerage, and cutting back on projects relating to the industrial infrastructure.

Domestic Wholesale Prices Fall 0.2 Percent

OW1810101794 Tokyo KYODO in English 0944 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—Japan's domestic wholesale prices for the first 10 days of October fell 0.2 percent from the previous 10 days, reflecting a sharp decrease in power rates after the end of the summer extra charges period on Sept. 30, the Bank of Japan said Tuesday [18 October]. The domestic wholesale price index stood at 96.6 against 100 in the base year of 1990. The figure represents a 1.2 percent decline from a year earlier, the central bank said.

Overall wholesale prices for early October were also down 0.2 percent from the Sept. 21-30 period and down 1.4 percent from the year before, with the index at 92.6.

Export prices on a yen basis were up 0.8 percent from the preceding 10 days reflecting a weaker yen but down 3 percent from a year earlier, with the index at 80.6. In terms of contract currencies, prices with the index at

105.4 were unchanged from the last 10 days of September but up 1.5 percent from the year before.

With the index at 72.8, import prices on a yen basis rose 0.1 percent from the previous 10 days and up 0.3 percent from a year earlier. In contract-currency terms, prices were down 0.5 percent from the previous 10 days reflecting lower prices for crude oil and coffee beans, but rose 6.4 percent from the year before, with the index at 99.6, the central bank said.

Editorial Reviews Current Employment Situation

952A0044A Tokyo NIHON KEIZAI SHIMBUN in Japanese 13 Oct 94 p 2

[FBIS Translated Text] In August, overtime worked per employee in manufacturing firms with 30 or more employees increased 3.6 percent over the same month last year, the first increase registered in the three years and nine months since November 1990. On the other hand, according to a recent NIHON KEIZAI SHIMBUN-sponsored survey of tentative employment commitments by principal corporations, the tentative employment commitments for 1995 spring graduates are 16 percent less than the actual employments that took place in the spring of 1994. The question is, how should we interpret the contrasting situation concerning the employment picture?

Employment indices are lagging economic indicators. In reality, August's unemployment rate of 3.0 percent reflected the second month of historically unfavorable figures not seen since the strong-yen recession of 1987, producing figures which are not compatible with the feeling that the economy is recovering.

In such circumstances, it appears that overtime, which is sensitive to economic trends, increased as a reflection of favorable summer sales of automobiles and electrical appliances. Businesses have begun to increase part-time employees and show signs of absorbing production increases with overtime and part-time employees.

The question is when will businesses increase employment of new hires? Some corporations that have experienced favorable operating results have decided to increase employment next spring, but, as a whole, they still carry excess employees, primarily in the white collar area, and many firms still feel that their labor costs are higher than justified by operating results.

Corporations will require diversified and energetic human resources to cope with environmental changes, including the strong yen, and structural changes in industry. In that sense, it would be a disadvantage from a long-range perspective to aimlessly cut back on new hires. It is probably a case where corporations realize that, but are still hesitant to act.

The question is what can they do to break away from that predicament? They have no choice but to take serious action to develop the capabilities of existing company employees and to take bold action in modifying wages so that they are compatible with the new age.

Wages are a matter that is determined through labor-management negotiations and they vary depending on the situation in each industry. However, corporations face strong pressure in the area of labor costs and we cannot expect any major increase in employment to accompany the next recovery in the economy.

According to surveys run by the likes of Nikkeiren [Japan Federation of Employers' Associations], the rise in new employee pay was 1.1 percent for college graduates this spring, historically the lowest increase, and more than 20 percent of firms froze new-hire pay to last year's level. Such action was taken as a measure of last resort by corporations to hire new employees at levels that came within specific wage costs, but it is necessary to consider a wage system from a long-term perspective rather than on the basis of temporary fixes.

In that particular case, an important consideration will be the development of a wage system compatible with the financial resources of the corporation and rational enough to win the approval of employees.

As a whole, the changes will call for a transition from a seniority pay system which took hold during the high-growth period and which balanced service to company and wages over a lengthy work history to a short-term balanced wage system offering wages commensurate with the so-called market value of labor offered to corporations under specific situations.

By so doing, corporations will be able to employ on a flexible basis in response to needs, and prospective workers will be able to exercise a wide range of options based on their capabilities.

MITI To Support Cooperation Among Businesses

OW1710153694 Tokyo NIHON KEIZAI SHIMBUN in Japanese 17 Oct 94 Morning Edition p 3

[FBIS Translated Text] The Ministry of International Trade and Industry [MITI] will provide support for cooperative projects such as the founding of joint investment companies or forming of groups for promoting exchanges between different businesses among small and medium enterprises beginning fiscal 1995. In concrete terms, MITI plans to entrust the Central Committee of the Japan Federation of Smaller Enterprise Organizations [JFSEO] with various projects. For example, instructors of the Central Committee—there are about 1,000 instructors throughout the nation—will be asked to provide local enterprises with information on talented personnel or technologies of other enterprises, universities, public research institutes. And at the same time, they will be asked to give instructions in financial and tax management to those enterprises planning to start new business by making joint investment or forming groups.

So far, these instructors have given instructions in management mainly to those enterprises belonging to the JFSEO. This time, however, they will provide assstance to individual enterprises that are studying the possibility of cooperation with other enterprises. The instructors will first learn the advantages of enterprises seeking cooperation as well as the good points of their prospective partners, and then assist them in promoting joint investment or exchanges between different businesses.

Government Criticized Over Deregulation

OW1810092394 Tokyo KYODO in English 0849 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—A business leader criticized Prime Minister Tomiichi Murayama's government on Tuesday [18 october] allegedly for lacking the strong leadership necessary to push ahead its planned deregulations.

"It will be difficult to realize deregulation plans without strong leadership. I don't mean that the Murayama administration has no leadership, but the prospects are gloomy," said Takeshi Nagano, president of the Japan Federation of Employers Associations (Nikkeiren), at a press conference.

He said it seems that deregulations may not come about unless the Japanese political structure is reorganized further through elections "about three times."

Nagano favored early general elections after the Diet passes a new single-seat lower house election system, saying he hopes that new members will work on deregulations within the new political framework.

GM Reportedly To Import Steel From Kawasaki Corp

OW1810014094 Tokyo KYODO in English 0058 GMT 18 Oct 94

[FBIS Transcribed Text] Tokyo, Oct. 18 KYODO—Kawasaki Steel Corp. has signed a one-year contract to provide General Motors Corp. (GM) of the United States with steel products for automobiles next year, a spokesman for the major Japanese steelmaker said Tuesday [18 October]. It will be the first time since 1973 for Kawasaki to sell steel products to GM, the spokesman said. He said that under the contract, Kawasaki will supply an undisclosed amount of hot and cold rolled steel to the largest U.S. automaker next year, and Kawasaki hopes to renew the contract beyond 1995.

The NIHON KEIZAI SHIMBUN, a leading business daily, reported in its Tuesday morning edition that GM will purchase some 50,000- 60,000 tons of hot and cold rolled steel, or about 1 percent of its total needs in 1995. GM has long stuck to its "buy-American" policy, but a series of price rises by U.S. steelmakers have encouraged GM to change its tune, the daily said.

Mitsubishi Chemical Realigns Coke, Resin Plants

952A0032A Tokyo NIHON KEIZAI SHIMBUN in Japanese 7 Oct 94 p 15

[FBIS Translated Text] Mitsubishi Chemical has embarked on reorganization of its production system for coke and synthetic resins. In coke, the company's Kurosaki plant (Kitakyushu city, Fukuoka Prefecture) will specialize in the production of coke for castings and will shut down some facilities; the company will concentrate production of coke for steel at the Sakaide plant (Sakaide city, Kagawa Prefecture). In synthetic resins, the company will cut the number of products by 20 to 25 percent. Inaugurated by the merger of Mitsubishi Kasei and Mitsubishi Petrochemical, Mitsubishi Chemical is undertaking production cost reduction with the idea of getting the effects of the merger at an early date.

Made by heating coal, coke is used in the production of castings in addition to being a secondary raw material in the production of steel. Up until the merger, Mitsubishi Kasei had the capability of producing 4.85 million tons annually at the Kurosaki and Sakaide plants combined, and it shipped to steel makers that do not have coke furnaces, such as Kobe Steel, and to casting manufacturers.

In the recent reorganization, the Kurosaki plant, where the coke furnaces are obsolete and production efficiency is poor, was made a system that will produce only coke for castings which has a high unit cost. Along with this, the company shut down 95 of the 175 furnaces at the end of September and reduced production capability from 950,000 tons to 500,000 tons annually. The 90 people who will be superfluous will be transferred to other divisions in the plant. The production of coke for steel will be concentrated at the Sakaide plant, which has the newest facilities in the nation and high productivity.

In synthetic resin, it will reduce the number of high and low density polyethylene and polypropylene products produced by both Mitsubishi Kasei and Mitsubishi Petrochemical. The number of Mitsubishi resin products had been about 950 for both companies, but Mitsubishi Chemical will consolidate products with the same quality of resin into one product with the understanding of the users. Moreover, low-volume products will be replaced by other products and production stopped. So far, the company has reduced them by 20 to 25 percent and it is considering targeting an additional cut of about 10 percent within one or two years.

Along with this, it also will review production bases. Synthetic resins have been produced at three plants: Mizushima (Kurashiki city, Okayama Prefecture), Yokkaichi city (Yokkaichi city, Mie Prefecture), and Kashima (Kamisu-machi, Ibaraki Prefecture). In cases where several kinds of products have been made at the same facility up to now, operations costs have been high due to the necessity of stopping the plant and changing production methods. For this reason, in the future the company is considering switching to a system where large volumes are produced at the plant closest to the shipping destination.

Both divisions of coke and synthetic resin have shown a deficit due to sluggish domestic demand. While the company is aiming at turning a surplus by cost reductions along with the review of the production system, it will put the superfluous personnel into the new pharmaceutical and information and electronics divisions, linking it to expansion of sales.

Kansai Groups Survey U.S. Multimedia Ventures

952A0043A Tokyo NIHON KEIZAI SHIMBUN in Japanese 13 Oct 94 Regional Edition p 27

[FBIS Translated Text] Kansai area economic organizations such as the Kansai Committee for Economic Development [Kansai Doyukai] and Kansai Productivity Center [Kansai Seisansei Honbu] are dispatching inspection teams to the United States, an industrially advanced nation, to survey advanced technologies such as multimedia and collect information on venture firms.

The Kansai Committee for Economic Development will send the "Information Transmission Strategy Committee Survey Team (interim title)" to Atlanta, Georgia, and Orlando, Florida, from 27 November to 8 December to observe experiments on interactive communications using cable television (CATV) systems.

During the visit, on 5 December a symposium on "The Outlook and Issues Facing the Coming Multimedia Society (interim title)" will be jointly held with Harvard University in Boston. The chairman of the survey team, Yoshihisa Akiyama (president of Kansai Electric Power Company), will deliver the keynote speech, and members of the Harvard University faculty and sources associated with the information superhighway concept will serve as lecturers. The trip will include visits to the CNN news center and interviews with CATV viewers.

The Kansai Productivity Center will send the "U.S. Information System Survey Team" from the 16th to the 27th to visit San Francisco, Boston, and New York. The team will visit companies such as IBM and Allied Signal to inspect progress being made in the construction of intracompany information networks in the information industry.

The Osaka Chamber of Commerce and Industry has sent the "Small and Medium Enterprise U.S. Inspection Team" led by Takashi Onishi to New York and Los Angeles. The team will inspect factory outlets (surplus inventory sales outlets) and venture firms, and will visit the Harvard University business school and the Massachusetts Institute of Technology venture capital network to study corporate development measures for growth industries.

The Kansai Committee for Economic Development will observe progress being made in the United States, which leads in such sectors as multimedia, and will use such observations as a basis for making future proposals and industry support plans.

MPT Research Laboratory To Target VHDTV

952A0042A Tokyo NIHON KEIZAI SHIMBUN in Japanese 8 Oct 94 p 12

[FBIS Translated Text] The Ministry of Posts and Telecommunications [MPT] Communications Research Laboratory will begin work in fiscal year 1995 on the development of very high-definition video systems with about 2,000 scanning lines, about twice that of the high-definition television (HDTV) known as hi-vision. The technology will be indispensable in the multimedia age, which will require the transmission of high-quality images that are barely distinguishable from X-rays, printed materials, and graphics. They will first develop a camera and establish the basic technology by the year 2000. They will also consider the formation of a developmental organization which encompasses the private sector and take the initiative in standardizing television systems in the post-HDTV era.

Future multimedia communications systems anticipate remote medical systems that will enable the diagnosis of patient X-rays transmitted over telecommunications systems, printing systems that enable the evaluation on video displays of finished printed materials such as large posters, and the viewing of artifacts on video.

The VHDTV imaging system to be developed by the Communications Research Laboratory will be the basic technology which will support such functions. The technology will use about four times the scanning lines of conventional television and about twice that of hi-vision television. Images per second will be doubled to 60 from the 30 of hi-vision television.

The density of information reaches the fineness of photographs. Supposedly, the system will provide images which give the same impression as that obtained when looking at pictures printed on paper.

The first objective of the research work on cameras will be a significant improvement in the lens and the camera tube. Such work will include a substantial enhancement in the clarity of the lens and development of high-level fabrication technology enabling increased densities in the charge-coupled device (CCD) used to convert light into electrical signals.

The laboratory will also energetically involve itself in compressed image transmission technology. In the post-HDTV era the volume of information handled will be immense, and image compression will be necessary even if fast communication systems such as broadband integrated services digital networks (B-ISDN) are used. "Reversible compression technology" will also be developed to enable the faithful reproduction of the original image data because system users will not be able to tolerate the loss of necessary information in the transmission of compressed images such as capillary vessels reflected on X-rays.

The Communications Research Laboratory plans on considering joint research with private-sector manufacturers when it reaches the stage where the potential for system development is verified. Systems standardization for the post-HDTV era was initiated in 1993 by the Radio Department of the International Telecommunications Union (ITU-R). No country has verified the commercial feasibility of VHDTV and the recent moves by the MPT can be considered a pioneering move in this respect.

Telenet Enshu Expands Cellular Phone Service

952A0041A Tokyo NIHON KEIZAI SHIMBUN in Japanese 8 Oct 94 Regional Edition p 6

[FBIS Translated Text] Telenet Enshu (Hamamatsu city; Hideto Eguchi, president), which provides cellular telephone services (CRP) in the western part of Shizuoka Prefecture, has begun to expand services offered to its customers. It is the first of the seven CRP companies operating in Japan that has expanded its telecommunications services to the ocean areas. Additionally, it has abolished time restrictions for placing calls and will add one more land station. The company competes with regular cellular telephone companies by charging lower rates, but the recent expansion of services will be used to strengthen its competitive position.

Licensing of cellular telephones is divided into land and ocean zones. Accordingly, there is a need for operating companies that offer cellular telephone services to ocean-going craft such as fishing boats to obtain ocean-services licenses from the Ministry of Posts and Telecommunications [MPT].

Yamaha Corporation and Yamaha Motor Company played a central role in the formation of Telenet Enshu, prompting it to obtain ocean-services licenses from the MPT on 7 October with a view to developing its share in the marine sector. In the future, cellular telephone services will be available from the company from the coastline along the Enshu Sea to a distance of 10 kilometers out to sea.

Further, it received permission from the MPT to lift the five-minute limit on weekday calls between 0800 and 1900, currently imposed to avoid congestion, effective 11 October.

Additionally, it will build one more land station. The purpose is to accommodate the increased usage anticipated as a result of the lifting of the time limit on calls and to improve the quality of calls made in places such as mountain areas which are highly susceptible to radio noise interference. The capital costs are still undetermined, but it will be the company's first capital investment since it built its facilities prior to commencing operations. The location of the new land station is expected to be the roof of the highrise "Akuto Tower" situated in front of the JR [Japan Railway] Hamamatsu station. Additional research must be performed in connection with the plan to determine whether the station will be limited to handling calls from cellular telephones or equipped with a switching system.

Telenet Enshu currently operates wireless land stations in Hamamatsu and Kakegawa cities, which are equipped with switching systems. However, it decided to build a new land station in Hamamatsu, because poor reception pockets remain in the Hamamatsu city area, which is the company's principal operating area.

The company began operations on 1 July 1993. It currently has about 2,200 subscribers. Its service area is restricted to the western part of Shizuoka Prefecture.

Kawasaki City To Form Council of Non-Japanese

OW1810061394 Tokyo KYODO in English 0539 GMT 18 Oct 94

[FBIS Transcribed Text] Kawasaki, Oct. 18 KYODO—The Kawasaki Municipal Government announced Tuesday [18 October] it is planning to set up a council formed by non-Japanese residents to allow them a say in city policies.

On Oct. 31, the city, adjacent to Tokyo, will establish a panel of six academics to help plan the new body, which is to be tentatively called "the Council of Foreign Citizens' Representatives," city officials said.

"The city government wants to establish a full-fledged assembly (of non-Japanese deputies) by the end of fiscal 1996, paying serious consideration to forthcoming recommendations from the panel," Mayor Kiyoshi Takahashi told a news conference.

The move comes as a growing number of foreign residents across Japan are calling for voting rights or other ways to have a say in the formulation of local and national government policies.

The panel of academics will have the task of devising a forum to help non-Japanese residents air their opinions and contribute to policy-making and legislative and administrative steps to be adopted by the city government, the officials said. They said the panel, which is to meet monthly, will be headed by Hajime Shinohara, a professor emeritus of the University of Tokyo.

From next year, the city government will establish a pilot body for the new council to advise on the administration of one of the city's seven districts, they said.

By examining the performance of the pilot assembly of foreigners, the advisory panel will make its recommendations by March 1996 on a citywide council, the officials said.

Mongolia

Parliamentary Delegation on Visit to Japan

LD1510134594 Moscow ITAR-TASS World Service in Russian 0601 GMT 15 Oct 94

[By ITAR-TASS correspondent Kim Boldokhonov]

[FBIS Translated Text] Ulaanbaatar, 15 October—A delegation of the Great People's Hural, led by its chairman Natsagiyn Bagabandi, left Ulaanbaatar today on an official visit to Tokyo. During the visit, which is taking place at the invitation of the House of Councillors of the Japanese Diet, the Mongolian parliamentarians will hold talks with the leaders of both of Japan's parliament houses and will be received by the prime minister. A meeting has been scheduled with business representatives and members of the parliamentary group of Japanese-Mongolian friendship.

The aim of the visit, according to today's ARDYN ERH newspaper, is to expand business contacts between the supreme legislatures of the two countries. Cooperation between them has been developing intensely recently. The visit is also to study the Japanese achievements and experience in the industrial and technological fields.

* Resolutions of the Great Hural of Mongolia

On Formation of New Aymags, Somons

944M0004A Ulaanbaatar ARDYN ERH in Mongolian 2 Jun 94 p 2

[Resolution No. 32 of the Great Hural dated 6 May 94, Ulaanbaatar City: "Formation of New Aymags, Somons"]

[Text] On the basis of Paragraph 1 of Article 4 of the Law on the Administration of Mongolia, Territorial Units and Their Leadership, the Great Hural of Mongolia decrees:

1. That Darhan-Uul Aymag be formed on the territory defined by the registry of Darhan City's present boundaries and that its center be named Darhan;

2. That the previous Darhan City's districts be redesignated as stated below and the following somons of Darhan-Uul Aymag be formed:

a) that Darhan Somon of Darhan-Uul Aymag be formed on the territory of Darhan and Nayramdal District and its center be named as Darhan;

b) that Sharyn Gol District be redesignated as Sharyn Gol Somon of Darhan-Uul Aymag and its center be named as Sharyn Gol;

c) that Orhon District be redesignated as Orhon Somon of Darhan-Uul Aymag and its center be named as Orhon;

d) that Hongor Somon of Darhan-Uul Aymag be formed on the territory of Hongor and Salhit Districts and its center be named as Buural;

3. That the registry of the boundaries of Darhan, Sharyn Gol, Hongor, and Orhon Somons of Darhan-Uul Aymag be affirmed according to Appendix 1;

4. That Orhon Aymag be formed on the territory defined by the registry of the present boundaries of Erdenet City and its center be named as Erdenet;

5. That the districts of the former Erdenet City be redesignated as stated below and the following somons of Orhon Aymag be formed:

a) that Bayan-Ondor Somon of Orhon Aymag be formed on the territory of Nayramdal and Bayan-Ondor Districts and its center be named as Erdenet;

b) that Jargalant District be redesignated as Jargalant Somon of Orhon Aymag and its center be named as Jargalant;

6. That the registry of the boundaries of Bayan-Ondor and Jargalant Somons of Orhon Aymag be affirmed according to Appendix 2;

7. That Gobi-Sumber Aymag be formed on the territory defined by the registry of the present boundaries of Choyr City and its center be named as Choyr;

8. That the districts of the former Choyr City be redesignated as stated below and the following somons of Gobi-Sumber Aymag be formed:

a) that Sumber District be redesignated as Sumber Somon of Gobi-Sumber Aymag and its center be named as Choyr;

b) that Bayantal District be redesignated as Bayantal Somon of Gobi-Sumber Aymag and its center be named as Lun;

c) that Shibeegobi District be redesignated as Shibeegobi Somon of Gobi-Sumber Aymag and its center be named as Sebhuul;

9. That the registry of the boundaries of Sumber, Bayantal, and Shibeegobi Somons of Orhon Aymag be affirmed according to Appendix 3;

10. That the government be charged to do the following during the first half of 1994: reorganize the Niytiyn Hurals and Hurals of Representatives of the citizens of each of the newly-formed aymags and somons, appoint chiefs of administration, establish the seal offices, the structure of these and staff limitations in a uniform manner.

Chairman N. Bagabandi

On Formation of New Somons and Centers

944M0004B Ulaanbaatar ARDYN ERH in Mongolian 2 Jun 94 p 2

[Resolution No. 33 of Great Hural dated 6 May 94, Ulaanbaatar City: "Formation of New Somons and Centers"]

[Text] On the basis of Paragraph 1 of Article 57 of the Constitution of Mongolia and Paragraph 1 of Article 4 of the Law on Administration, Territorial Units and Their Leadership, the Great Hural of Mongolia decrees:

1. That the following somons be formed on the territories whose registries of boundaries are to be defined according to the registries of the present boundaries of the aymag centers and cities, and that their centers be named as stated below:

1) that Erdenebulgan Somon be formed in the center of Arhangay Aymag and its center be named Tsetserleg;

2) that Olgiy Somon be formed in the center of Bayan-Olgiy Aymag and its center be named as Olgiy;

3) that Bayanhongor Somon be formed in the center of Bayanhongor Aymag and its center be named Bayanhongor;

4) that Bulgan Somon be formed in the center of Bulgan Aymag and its center be named Bulgan;

5) that Yosonbulag Somon be formed in the center of Gobi-Altay Aymag and its center be named Altay;

6) that Saynshand Somon be formed in the center of Dornogobi Aymag and its center be named Saynshand;

7) that Herlen Somon be formed in the center of Dornod Aymag and its center be named Choybalsan;

8) that Mandalgobi Somon be formed in the center of Dundgobi Aymag and its center be named Mandalgobi;

9) that Uliastay Somon be formed in the center of Dzabhan Aymag and its center be named Uliastay;

10) that Arbayheer Somon be formed in the center of Oborhangay Aymag and its center be named Arbayheer;

11) that Dalandzadgad Somon be formed in the center of Omnogobi Aymag and its center be named Dalandzadgad;

12) that Baruun-Urt Somon be formed in the center of Suhbaatar Aymag and its center be named Baruun-Urt;

13) that Suhbaatar Somon be formed in the center of Selenge Aymag and its center be named as Suhbaatar;

14) that Dzuunmod Somon be formed in the center of Tob Aymag and its center be named Dzuunmod;

15) that Ulaangom Somon be formed in the center of Ubs Aymag and its center be named Ulaangom;

16) that Jargalant Somon be formed in the center of Hobd Aymag and its center be named Hobd;

17) that Moron Somon be formed in the center of Hobsgol Aymag and its center be named Moron;

18) that Ondorhaan Somon be formed in the center of Hentiy Aymag and its center be named Ondorhaan;

2. That the Government of Mongolia be charged with the following:

a) that measures for organizing the Niytiyn Hurals and Hurals of Representatives of the citizens of the somons indicated in Paragraph 1 of this resolution, and appointing the chiefs of administration, be taken during the first half of this year in accordance with the Law on the Administration of Mongolia, Territorial Units and Their Leadership;

b) that on the basis of Article 10 and Paragraph 3 of Article 4 of the Law on the Powers of Cities and Villages, the problems of establishing dzereglel in the aymag centers and cities, holding city administrator elections, establishing the structures of labor offices and staff limitations, and organizing city councils be solved during the first half of this year;

3. That in connection with having formed somons on the territories of aymag centers and cities, the decree of the Presidium of the Great Hural and the directives of the decree be considered null and void in conformity with the appendix.

Chairman N. Bagabandi

On Formation of Additional Somons, Centers

944M0004C Ulaanbaatar ARDYN ERH in Mongolian 2 Jun 94 p 2

[Resolution No. 34 of the Great Hural dated 6 May 94, Ulaanbaatar City: "Formation of Additional Somons, Centers"]

[Text] On the basis of Directive 1 of Article 4 of the Law on Administration, Territorial Units and Their Leadership, the Great Hural of Mongolia decrees:

1. That Hanh District of Hobsgol Aymag be dissolved and Hanh Somon be formed on the territory of this district and its center be named as "Turt";

2. That Dzamyn-Uud District of Dornogobi Aymag be dissolved and Dzamyn-Uud Somon be formed on the territory of this district and its center be named as "Borhoyn tal";

3. That the registries of the boundaries of Hanh Somon of Hobsgol Aymag and Dzamyn-Uud Somon of Dornogobi Aymag be approved according to Appendix 1 and, in connection with the formation of the aforementioned somons, the registries of the boundaries of Rinchinlhumbe Somon of Hobsgol Aymag, and of Erdene, Ulaanbadrah and Saynshand somons of Dornogobi Aymag, be reaffirmed according to Appendix 2;

4. That during the first half of 1994 the government be charged with organizing the Niytiyn Hurals and Hurals of Representatives of Hanh and Dzamyn-Uud somons and appointing appropriate level chiefs of administration in accordance with the Law on the Administration of Mongolia, Territorial Units and Their Leadership;

5. That the 88th, 91st and 261st paragraphs of Appendix 2 of the 75th Decree of April 4, 1977 of the Presidium of the People's Great Hural Concerned With Reaffirming the registries of territorial boundaries be individually considered null and void.

Chairman N. Bagabandi

On Dissolution of Some City Districts

944M0004D Ulaanbaatar ARDYN ERH in Mongolian 2 Jun 94 p 2

[Resolution No. 35 of the Great Hural dated 6 May 94, Ulaanbaatar City: "Dissolution of Some City Districts"]

[Text] The Great Hural of Mongolia decrees:

1. That Hyalganat District of the former Erdenet City be dissolved and be combined with and placed under the jurisdiction of Hangal Somon of Bulgan Aymag;

2. That Hotol District of the former Darhan City be dissolved and be combined with and placed under the jurisdiction of Sayhan Somon of Selenge Aymag;

3. That, in connection with the dissolution of Hyalganat and Hotol Districts, the government be charged with reorganizing the Niytiyn Hurals of the citizens and appointing chiefs of administration in accordance with the Law on the Administration of Mongolia, Territorial Units and Their Leadership.

Chairman N. Bagabandi

On Combining Cities, Districts into Somons

944M0003A Ulaanbaatar ARDYN ERH in Mongolian 3 Jun 94 p 2

[Resolution No. 36 of the Great Hural dated 6 May 94, Ulaanbaatar City: "Resolution on Combining Cities, Districts"]

[Text] On the basis of Paragraph 2 of Article 4 of the Supplementary Law of the Constitution of Mongolia, the Great Hural of Mongolia decrees:

1. That the cities and districts mentioned below be combined with and placed under the administrative jurisdiction of the given somons:

1) that Tsagaannuur District of Bayan-Olgiy Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Nogoonnur Somon of the same aymag;

2) that Oldziyt District of Bulgan Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Orhon Somon of the same aymag;

3) that Guulin District of Gobi-Altay Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Delger Somon of the same aymag;

4) that Dzuunbayan and Saynshand (Ar) Districts of Dornogobi Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Saynshand Somon of the same aymag;

5) that Hajuu-Ulaan District of Dornogobi Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Ihhet Somon of the same aymag;

6) that Ereen District of Dornod Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Bayan-Uul Somon of the same aymag;

7) that Tosontsengel City of Dzabhan Aymag be placed under the administrative jurisdiction of Bulnay Somon;

8) that Dolgoon District of Oborhangay Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Dzuunbayan-Ulaan Somon of the same aymag;

9) that Bayanteeg District of Oborhangay Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Nariynteel Somon of the same aymag;

10) that Ih-Uul District of Oborhangay Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Arbayheer Somon of the same aymag;

11) that Burentsogt District of Suhbaatar Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Monhhaan Somon of the same aymag;

12) that Tunhel District of Selenge Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Mandal Somon of the same aymag;

13) that Dzuunharaa City of Selenge Aymag be placed under the administrative jurisdiction of Mandal Somon of the same aymag;

14) that Dulaanhaan District of Selenge Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Shaamar Somon of the same aymag;

15) that Hatgal City of Hobsgol Aymag be placed under the administrative jurisdiction of Alag-Erdene Somon of the same aymag;

16) that Berh District of Hentiy Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Batnorob Somon;

17) that Herlen District of Hentiy Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Darhan Somon of the same aymag;

18) that Herlenbayan-Ulaan District of Hentiy Aymag be dissolved and be combined with and placed under the administrative jurisdiction of Delgerhaan Somon of the same aymag;

19) that Yoroo District of Selenge Aymag be dissolved and placed under the administrative jurisdiction of Yoroo Somon of the same aymag;

2. That in connection with combining Dzuunharaa City and Tunhel District of Selenge Aymag and placing them under the administrative jurisdiction of Mandal Somon, the center of Mandal Somon be established in Dzuunharaa;

3. That the Government be charged with the following:

a) in connection with combining the cities and districts indicated in Paragraph 1 of the resolution and placing them under the administrative jurisdiction of the given somons, the Government of Mongolia is to reorganize the Niytiyn Hurals of the citizens of those somons and to organize the work of appointing chiefs of administration in accordance with the Law on Territorial Units and Their Leaderships;

b) in connection with combining newly formed and some other cities and districts and placing them under the jurisdiction of particular somons, the administrations of these aymags and somons are to take measures to update the registration of the addresses of the citizens residing in the corresponding territorial units;

4. That in connection with this resolution, the decree of the Presidium of the People's Great Hural and the directives of the decree mentioned in the appendix be considered null and void.

Chairman N. Bagabandi

North Korea

Article Describes 'Rage' of North Against ROK

SK1810104494 Pyongyang KCNA in English 1020 GMT 18 Oct 94

["Pyongyang ablaze with rage"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—Yi Chong-sang, chief of the Pyongyang Mission of the South Korean National Democratic Front (Hanminjon), contributed to the editorial board of radio Voice of National Salvation an article on the sight of the Pyongyang citizens simmering with rage at the provocative remarks of the traitor Kim Yong-sam, according to the Seoul-based radio.

The article says that the anger of Pyongyang is on the point of explosion at the provocative outcries of the traitor Kim Yong-sam who egged the United States on to "a tough posture" while crying for "sanctions" against the North, urged by the vicious intention to break up the DPRK-U.S. talks.

At bus stops, metro stations and all other crowded places of Pyongyang, all the people, old and young, and even children are grinding their teeth, their faces a mark of indignation at the traitor Kim Yong-sam instigating the United States into a war and firing at the house in-mourning, it notes, and continues:

Tears gathered in our eyes when we saw the people in the North anxiously waiting for compatriots from the South, delaying the ceremony for the completion of the tomb of King Tangun after reconstructing it before the one hundredth day memorial service for the president by piling up stones of the tomb in tears still in their mourning dresses, to realize what the president desired in his lifetime and his behests. But Kim Yong-sam blocked the northern trip at the point of the bayonet. How can such fellow be called a human being?

Determined is the stand of the North which we see at first hand. Answering dialogue with dialogue and war with war is the official stand of the DPRK Government and the decision of the people in the North.

The North has already declared that "sanctions" mean a war.

The reality shows that there is no other way but a peaceful solution to the nuclear issue on the Korean peninsula through DPRK- U.S. talks.

The outcries of the Kim Yong-sam group for "sanctions" and pressure are the death-bed wriggle of a wretch digging his own grave.

The traitor Kim Yong-sam must look squarely at the trend of the time and stop running rashly before coming in for a sound beating.

If the United States do not want to get it in the neck, it must decisively remove this trouble-maker, no more patronizing him.

We, together with the entire people, will bring down a sledge hammer on the head of Kim Yong-sam, the traitor for all ages, in the name of history.

Rallies, Demonstrations in ROK Reported

SK1410234794 Pyongyang KCNA in English 2216 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—Rallies and demonstrations of the South Korean people for the right to existence, democratic rights and national reunification have been further expanded and strengthened since the appearance of the Kim Yong-sam "regime" under the "civilian" mask, according to the "CBS" [Christian Broadcasting System] quoting a document submitted by the Seoul police office to the "National Assembly".

Demonstrations totalled more than 1,500 in 1990 and 1991 before the "civilian regime", but, upwards of 2,200 in 1993 and about 2,100 until the end of September this year.

The participants in the protests numbered more than 800,000 last year and 1,330,000 this year.

South Student Council Official Visits Pyongyang

SK1810043894 Pyongyang KCNA in English 0421 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—Choe Chong-nam, delegate of the South Korean Federation of General Student Councils, who had attended the ceremony for the completion of the reconstruction of the tomb of King Tangun, visited the Central Committee of the League of Socialist Working Youth of Korea [LSWYK] on October 15.

Choe Yong-hae, chairman of the Central Committee of the LSWYK, had a fraternal talk with Choe Chong-nam.

On October 13, the delegate visited the international friendship exhibition at the foot of Mt. Myohyang, a world- famous scenic place.

On display in the exhibition are gifts presented to the great leader President Kim Il-song and the dear leader Comrade Kim Chong- il by heads of party and state and revolutionary people of many countries on the five continents of the world with deep respect and reverence.

After visiting the exhibition, Choe Chong-nam said:

"Our nation today attracts the attention of the whole world and receives treasures of the world, though it always worshipped other countries and had to present treasures and relics to them in the past. Seeing the treasures here, I felt the great national pride and self-confidence and the lofty prestige of our nation.

"Now only the North is demonstrating its might, as the country is divided. But, when the country is reunified, our land of three- thousand Yi and the dignity and stamina of the nation will be fully demonstrated."

He recited the poem "On Mt. Myohyang in Autumn" composed by President Kim Il-song, looking round the scenery of Mt. Myohyang.

The delegate also visited the historic sites and relics on Mt. Myohyang and the Hyangsan Senior Middle School.

South's Threat to Arrest Student Leader Noted

SK1810045594 Pyongyang KCNA in English 0444 GMT 18 Oct 94

["Treachery Threatens Patriotism"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—The Kim Yong-sam group is threatening that it will arrest Choe Chong- nam, co-director of the Secretariat of the National Alliance of Youth and Students for the Country's Reunification and delegate of the South Korean Federation of General Student Councils (Hanchongnyon), upon his return to South Korea, by invoking the "National Security Law", branding his visit to and activities in Pyongyang as an "unauthorized visit" and "activities benefiting the North". Denouncing this as a violent threat of the treachery to patriotism, a NODONG SINMUN analyst today says:

All the activities in Pyongyang of Choe Chong-nam, a student dispatched by Hanchongnyon to the North as its official delegate, conform to the will and desire of the South Korean people who love the country and the nation and hope for reunification.

Above all, it is a quite righteous act concerning rather ethics and morality than ideology, system and ideal that Choe Chong-nam participated in the hundredth day memorial service for the father of the nation.

It was also an entirely righteous act motivated by the noble sense of obligation as a member of the nation for him to have participated in the ceremony for the completion of the reconstruction of King Tangun's tomb and expressed a high praise and deep thanks to the great leader President Kim Il-song who found out the ancestral father of our nation and exalted to the world the dignity and pride of the country with a history of 5,000 years.

By incriminating his righteous activities in the North, the Kim Yong-sam group fully reveals its barbaric color as a "bastard of unknown nationality" and "a depraved villain inferior to a dog" who is ignorant of elementary ethics and morality, traditional etiquette of the nation and the ancestor. Just as no village can be in peace with a mad dog, so the South Korean students and people cannot be safe at all and national reconciliation and unity and reunification of the country cannot be expected with the traitor Kim Yong-sam left alone to run about madly in man hunting, utterly ignoring ethics, morality, and reason of humanity.

The Kim Yong-sam group must squarely look at the reality, stop suppressing with the bayonet the students and people who desire reunification through alliance with communism and the North, and step down from power at once.

Overseas Koreans Meet Family of Kim In-so

SK1810044494 Pyongyang KCNA in English 0431 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—Overseas Koreans who had participated in the ceremony for the completion of the reconstruction of the tomb of King Tangun met in Pyongyang Monday with family members of old Kim In-so and Kim Yong-tae, unconverted long-term prisoners who are kept in South Korea.

The two men were taken prisoners while fighting against the aggressors as soldiers of the Korean People's Army during the Korean war (June 1950- July 1953). So, they had to be repatriated to the North immediately after the Korean war ceased. But they had been kept behind bars for scores of years in South Korea for the reason that they refused ideological conversion.

At the meeting, Kim Hwa-sim, the eldest daughter of Kim In-so, and Kim Yong-chae, a son of Kim Yong-tae, spoke of the past life of their fathers and wrong behaviour of the South Korean authorities.

They said it makes them heartsore to think that they cannot serve a bowl of boiled rice and a dose of medicine to their fathers who are suffering from scores of years of imprisonment and diseases in South Korea. They noted that the South Korean authorities who take no account of international laws and have no elementary obligation and conscience as human beings are obstructing the reunification of the country and the nation.

The overseas Koreans said that it is only too natural both in view of morality and of the international law to repatriate the unconverted long-term prisoners who had believed in and followed only the great leader Comrade Kim Il-song. They urged the South Korean authorities to send them back to the North at an early date.

Kim Chong-sim, the second daughter of Kim In-so, and Kim Pong- son, his younger sister, spoke at the meeting.

ROK's Pomminnyon Committee Sends Condolences

SK1610085194 Pyongyang KCNA in English 0832 GMT 16 Oct 94

[FBIS Transcribed Text] Pyongyang, October 16 (KCNA)—The preparatory committee for the formation of the South side headquarters of the National Alliance for the Country's Reunification (Pomminnyon) addressed a message of condolence on October 14 to the memorial service on the one hundredth day after the death of the great leader President Kim Il-song.

The preparatory committee says it should have gone to the bier and mourned the death of President Kim Il-song who devotedly worked for the independence and sovereignty of the Korean nation and the reunification of the country, but it failed to go, not being allowed by the South Korean authorities.

Expressing sincere apology for this, the message says:

"We honour the memory of President Kim Il-song and express deep condolences to the North side headquarters of Pomminnyon and the northern people by letter.

"It is only too natural that the Koreans in the South, the North and overseas, transcending the differences in ideology, system, political view, religious belief and residence, should honour the memory of President Kim Il-song who devotedly worked for the nation.

"For the South Korean authorities to block this is a wrong act disregarding ethics.

"The 70 million Koreans must courageously turn out for the complete independence and peaceful reunification of the Korean peninsula, true to the behests of President Kim Il-song.

"We firmly believe that the Pomminnyon organisation and people in the North will overcome their sorrow and resourcefully endeavour to achieve national independence and the great unity of the nation.

"The preparatory committee for the formation of the South side headquarters of Pomminnyon promises you to always join the compatriots in the North and overseas in the efforts for the reunification of the country, and sincerely pays tribute once again to the memory of President Kim Il-song.

Talk Alleges ROK 'Subjugated U.S. Colony'

SK1810112894 Pyongyang Korean Central Broadcasting Network in Korean 0647 GMT 18 Oct 94

[Unattributed talk: "South Korea is a politically subjugated U.S. Colony"]

[FBIS Translated Text] South Korea is a U.S. colony. First, South Korea and the United States have political relations as those between a servant and a master. An independent country [tongnip kukka] must have political independence [chajugwon] and actual rights to regulate and execute domestic and foreign policies on its own. However, such independence and originality [tokchasong] were not found in any one of the successive South Korean puppet governments.

Major domestic and foreign policies being taken in South Korea are drafted and executed in accordance with the U.S. demands and interests. The United States supervises and controls the implementation of its colonial subjugation policy on-the-spot through the U.S. ambassador in South Korea. The U.S. Embassy is grasping the political control over South Korea, presenting directions for the puppet government's domestic and foreign policies, and placing the execution criteria under its surveillance and control.

The fact that the South Korean puppet regime is speeding toward the road of confrontation and war to crush [apsal] the compatriots as the shock troops for the master's nuclear commotion proves it is a flunkeyist nation-selling regime without originality. When the United States took the policy of neither admitting nor denying the deployment of nuclear arms in South Korea, the puppets said they did not know whether the United States brought in nuclear arms; when the United States said it withdrew strategic nuclear weapons from South Korea, they repeated the words like parrots.

After the North-South accord and the joint declaration on the denuclearization of the Korean peninsula were adopted and came into effect, the United States demanded the withholding of the implementation while talking about the nuclear issue. The puppets suddenly made someone's nuclear issue a prerequisite of dialogue, and suspended all dialogue and exchanges carried on during the previous regime. Today, they are playing puppets by begging sanctions against the compatriots and entrusting the nation's destiny to foreign forces.

When traitor Kim Yong-sam had the title of the puppet president, he raved about the precedence of the nation to buy out the people's support. However, when the United States was about to crush [apsal] our Republic accusing us of the so-called suspicion of nuclear development in the North, the traitorous rascal sensed that his remarks offended the master and suddenly changed his attitude and learned after the U.S. smear campaign against the nonexistent nuclear suspicion of the North. He, then, absurdly rattled that he could never shake hands with the one who possesses nuclear weapons. The traitor Kim Yong-sam personally called on the U.S. President and did not hesitate to commit treason by begging for some alliance system against us and dedicating the South Korean rice market.

As everyone knows, for a regime to possess originality, it must exercise sovereignty rights [chajugwon] in politics. If a government cannot draw up policies on its own but look at the United States and act according to the U.S. orders and baton as in South Korea today, how can it be called an independent government? For a regime to exercise sovereignty rights, it must be established in accordance to the opinion of and by the hands of the popular masses.

However, in South Korea, a so-called government emerged after the 15 August liberation and the power shifted many times, but they never took place according to the opinion of the South Korean people. The sovereignty rights of the South Korean people were ruthlessly trampled every time. From devising the plots of manipulation and substitution of the puppet regime, to installing and replacing presidents, everything was controlled by the United States at its will.

It was the United States that had manipulated the 10 May election and installed Syngman Rhee as the first president. The 16 May coup d'etat by dictator Pak Chong-hui, and the October incident in which he was shot to death when he became useless and the murderer Chon Tu-hwan was placed in the front, were all committed by the behind- the-scene control of the United States. It was also the United States who devised the 29 June declaration of democratization for the military villain No Tae-u, who was being driven away by the wave of the June uprising, and gave him the title of president; and who plotted a political coup d'etat through the unification of the National, Democratic, and Republic parties for the dirty-handed political profiteer Kim Yong-sam, and covered him with mask of a civilian president.

It shows that, in the past or present, the political ruler in South Korea has been none other than the United States. Not only politics, South Korea is completely a colony whose military, economic, and cultural aspects are all subjugated to the United States. The actual ruler who seized all the power in South Korea is the United States.

Today, when the 20th century is coming to a close, the fact that a colony like South Korea still exists on earth is a shame of the century, and an intolerable stain of the era. The South Korean people will uphold the banner of anti-America and independence [chajuhwa] and brilliantly carry out the sacred cause for the independence and democratization of the South Korean society without fail by vigorously waging the struggle to end [chongsan] the U.S. colonial rule in South Korea, achieve national independence [minjokchok tongnip], and establish a sovereign regime.

Commentary Views 8-17 Nov U.S.-Japan Exercise

SK1810021794 Pyongyang Korean Central Broadcasting Network in Korean 1223 GMT 17 Oct 94

[Commentary by Kim Kyong-pok: "An Undisguised Demonstration of Power"]

[FBIS Translated Text] According to reports, the U.S. and Japanese reactionaries will conduct the Keen [word indistinct]-95, U.S.-Japanese joint general war exercise, whose scale is the largest in history, in the northern and central areas of Japan from 8 to 17 November, mobilizing tens of thousands of troops.

The general exercise will include U.S.-Japanese order exercises, which will be followed by U.S.-Japanese field drills. About 10,000 more troops than any previous exercise, will be added just for the field drills.

What draws our attention is that the aircraft carrier Kitty Hawk—which is deployed in the East Sea of Korea and aimed at us at all times—will participate in the exercise. This proves that the U.S.-Japanese joint general war exercise is an extremely adventurous and calculated game with fire [kukhi mohomjogigo kyehoekchogin pul changnan] thoroughly aimed at our Republic, as well as an undisguised and challenging demonstration of power to us [urie taehan nogolchogigo tojonjogin himui siwi].

In fact, deeming a war provocation on the Korean peninsula to be an established fact, the U.S. and Japanese reactionaries have frantically maneuvered to completely prepare a U.S.-Japanese joint operational posture to cope with this since long ago, and this has reached a very grave stage today in both scale and substance.

The U.S. and Japanese reactionaries are outwardly talking about the end of the Cold-War era and the launch of a new era of peace. Behind the curtains, however, they are indiscreetly running wild to find a breakthrough to a war of bloodshed in Korea.

By doing so, the U.S. imperialist warmongers are attempting to achieve their ambition of invading Korea, which they failed to achieve in the Cold-War era, and to establish their supremacy over Asia. The U.S. imperialist warmongers are manipulating [hoekchaek] to effectively use Japan's [word indistinct] military potential for this purpose.

Meanwhile, the Japanese reactionaries are desperately trying to realize their old dream of the Greater East Asia

Co-prosperity Sphere by borrowing the power of U.S. imperialists, as they have traditionally used a big country's power for their overseas aggression.

In particular, the U.S.-Japanese joint general war exercise clearly proves that the Japanese reactionaries are trying to openly venture onto the road of invasion, completely abandoning the burdensome, so-called peace tactics that disallow the right to belligerence and the right to mass self-defense.

With this common purpose of aggression, the U.S. and Japanese reactionaries are trying to practically promote [silchonjoguro chujinsikiryo] the integration [ilchehwa] of the two countries' aggressive armed forces through the joint general war exercise.

This is a grave situational development that cannot be overlooked. All facts plainly show that the U.S. and Japanese reactionaries have no interest in resolving imminent issues for peace and security of Asia, such as the solution to the nuclear problem on the Korean peninsula and the normalization of diplomatic relations between the United States and the DPRK, and only have the purpose of crushing [apsal] someone simply by force.

However, the U.S. and Japanese reactionaries should look straight at reality and act discreetly. As everyone knows, today's Korea is not what it was in the past, and today's Asia is not what it was in the past. If the U.S. and Japanese reactionaries continuously indulge in worthless war maneuvers and stir up the fire hazard of aggression [chimnyagui pulchibul totturinun killo nagandamyon] despite our repeated warnings, the rascals will attain nothing from this and will only face a disastrous ruin.

Relations With Russia Reportedly Improving

SK1810121994 Pyongyang KCNA in English 1104 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—Reports are afloat these days that the relations between the DPRK and Russia are getting "close rapidly" and "being restored to their relations in the Soviet days."

At a recent interview, A.N. Panov, vice foreign minister of Russia, referring to the relations with the DPRK, said "It is true that Russia is going to restore the political, military and economic relations to the same level as in the Soviet period."

This position of Russia to improve the cool relations with the DPRK is a positive development which accords with the trend of the times.

Invariable is our position to expand and develop relations with Russia on the principle of independence, mutual respect and non- interference in other's internal affairs as we develop friendly and cooperative relations with many countries of the world in accordance with the noble main idea of our foreign policy—independence, peace and friendship.

The two countries are neighbours and have a tradition and experience of friendly and cooperative relations. To newly develop these relations in conformity with the actual conditions fully conforms to the interests of the two peoples.

The relations between the two countries have entered a stage of improvement these days thanks to the sincere efforts of both sides. This was clearly proved by the political contacts held twice between the sides this year.

As is known, both sides confirmed their position to improve the relations between the two countries at the talks held during the Moscow visit of a delegation of the DPRK Foreign Ministry led by Vice-minister Ri In-gyu in May and the Pyongyang visit of Vice Foreign Minister A.N. Panov as a special envoy of President B.N. Yeltsin.

This laid a solid foundation for the restoration of the bilateral relations between the two countries in different fields.

On this basis, there are signs of practical movements for renovating the past economic relations.

Progress is being made in a series of economic issues including the resumption of the activities of the intergovernmental trade, economic and scientific-technological cooperation committee, the establishment of joint-venture enterprises, the expansion of mutual [words indistinct] in the Far East, the participation of Russia in the development of the Najin-Sonbong free economic and trade zone and the agreement on cooperation in forestry between the two countries.

The first session of the DPRK-Russian Trade, Economic and Scientific-Technological Cooperation Committee will shortly be held in Pyongyang, at which a wide range of issues of economic relations between the two countries will be discussed.

We appreciate Russia's initiative and effort for the reactivation of economic relations and consider that it is beneficial to both peoples.

Russia has promised that it will never do anything obstructive to the independent and peaceful reunification of Korea but will do all it can for its achievement as a country responsible for the Korean question. This is a good thing conducive to the promotion of our cause of national reunification, and we believe that it will be carried into practice.

As a matter of fact, it is crystal-clear that peace and stability in the Asia-Pacific region depends on the peaceful settlement of the Korean question. Therefore, Russia's contribution to the settlement of the Korean (?question) [words indistinct] contribution to peace and stability in the Asia-Pacific (?region and the rest of the world).

Visitors' Arrivals, Activities Reported

SK1410154394 Pyongyang KCNA in English 1511 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—delegation of the parliamentarians group for

Russia-Korea friendly relations headed by Aleksey Ponomarov, and vice-president of the Guayaquil University of Ecuador Alba Chavez de Alvarado and her party arrived here today by plane.

On the same day, Choe Kon-kuk, central member of the European Regional Headquarters of the National Alliance for the Country's Reunification (Pomminnyon), and his party arrived in Pyongyang.

Yi Welcomes Russian Delegation

SK1510080594 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 14 Oct 94

[FBIS Translated Text] A Russian-Korean Goodwill Parliamentarians Society delegation headed by Aleksey Ponomarev, chairman of the society, arrived in Pyongyang by air on 14 October. The delegation was met at the airport by Yi Tong-chol, Korean chairman of the Korean-Russian Goodwill Parliamentarians Society, and Yakoblev, charge d'affaires ad interim of Russia to our country.

PRC, Japanese Delegates Arrive

SK1510220494 Pyongyang KCNA in English 1518 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang, October 15 (KCNA)—A delegation of the Chinese People's Association for Friendship with Foreign Countries and the Sino-Korean Friendship Association led by Vice-governor of Qinghai Province and Chairman of the Association of the province Bai Ma and a delegation of the Council of Young Men's Associations of Japan led by President Kazumi Nishioki arrived here today by air.

WPK, Belarus Delegations Meet

SK1510110494 Pyongyang KCNA in English 1035 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang, October 15 (KCNA)—Talks between delegations of the Workers' Party of Korea [WPK] and the Party of Communists of Belarus [PCB] were held here today.

Present on the WPK side were Chi Chae-yong, vice department director of its Central Committee, and other officials concerned and on the PCB side were the members of the delegation led by A. Lashkevich, secretary of its Central Committee.

The sides informed each other of their parties' activities and exchanged views on the development of bilateral friendly relations and a series of matters of common concern.

The talks took place in a friendly atmosphere.

Vice President Meets Lao Delegates

SK1410234194 Pyongyang KCNA in English 2229 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—Vice-president Yi Chong-ok met and had a friendly talk with a delegation of the Ministry of Information and Culture of Laos headed by Minister Osakan Thammatheva at the Mansudae Assembly Hall today.

Kim Ki-yong, chairman of the Information Committee of the Democratic People's Republic of Korea, was present on the occasion.

The head of the delegation said friendship between the parties and peoples of the two countries will continue to strengthen and develop. He also said the Laotian party, government and people will, in the future, too, invariably extend full support and solidarity to the struggle of the Korean people for national reunification and the accomplishment of the socialist cause.

Indonesian Delegation Arrives

SK1810135594 Pyongyang KCNA in English 1106 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—A delegation of the House of People's Representatives of the Republic of Indonesia headed by its Speaker Wahono arrived in Pyongyang Tuesday for a visit to Korea upon the invitation of the Supreme People's Assembly [SPA] of the Democratic People's Republic of Korea.

It was met at the airport by Yang Hyong-sop, chairman of the Supreme People's Assembly, Yi Mong-ho, secretary of the standing committee of the SPA, Syamsudin Sidabutar, charge d'affaires ad interim, and officials, of the Indonesian Embassy in Pyongyang.

A welcome function for the delegation took place at the airport.

Hwang Chang-yop Meets Visitors

SK1710152794 Pyongyang KCNA in English 1518 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea, separately met and had a friendly talk with Torstein Engelskjon, chairman of the Norway-Korea Friendship Association, and the visiting delegation of the Japan Seinendan Council led by its President Kazumi Nishioki today.

The Norwegian visitor told Hwang Chang-yop that he was visiting Korea around the 100th day after the death of the great leader President Kim Il-song to share sorrow with the Korean people.

During his visit, he witnessed the Korean people's absolute support for and trust in the dear leader Comrade Kim Chong-il, he said, adding that under his leadership, Korea has registered great achievements in different fields.

"The achievements made by the Korean people in construction under his energetic guidance are surprising," he said. "The monumental edifices strike people with wonders."

"I deeply felt that the Korean people is a united, powerful people, contrary to what I heard in the West," he stressed.

Kazumi Nishioki said he hopes the Korean people will change sorrow into courage and make greater success in construction under the wise leadership of dear Kim Chong-il, the successor to President Kim Il-song.

Yugoslav Envoy Meets With Yi

SK1410235594 Pyongyang KCNA in English 2227 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—New Yugoslav Ambassador to Korea Ljubomir Ojukic presented his credentials to Vice-president Yi Chong-ok at the Mansudae Assembly Hall today.

Vice Foreign Minister Yi In-kyu was present on the occasion.

After receiving the credentials, Yi Chong-ok had a conversation with the ambassador.

WPK Sends Greetings to Turkish Party Congress

SK1410234494 Pyongyang KCNA in English 2218 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 1 (KCNA)—The Central Committee of the Workers' Party of Korea [WPK] sent a message of greetings to the 3rd Congress of the Workers' Party of Turkey on October 13.

Expressing the belief that the 3rd Congress of the Workers' Party of Turkey will mark an important occasion in strengthening and developing the party and achieving the unity of the progressive forces of Turkey, the message wished the congress success in the work.

"We believe that the friendly and cooperative relations between the two parties based on the idea of independence, peace and friendship will grow in strength and develop in conformity with the common idea of the two peoples, the message said. [quotations as received]

Kang Song-san Congratulates New Yemeni Leader

SK1710050994 Pyongyang KCNA in English 0452 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Kang Song-san, premier of the Administration Council, sent a message of greetings to Abdul Aziz Abdul Ghani upon his appointment as Prime Minister of the Republic of Yemen.

The message expressed the belief that the friendly relations between the two countries would further develop and wished the prime minister big successes in his responsible work.

Science, Technology Delegation Returns Home

SK1710121094 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 13 Oct 94

[FBIS Translated Text] A delegation of the DPRK State Commission of Science and Technology led by Chairman (Choe Yi-chong) returned home by train on 13 October after attending the first ministerial meeting of the science and technology committee for the continuous development of the South held in Pakistan. Kim Hyong- chol, vice chairman of the State Commission of Science and Technology; and (Remdil Bahdi), ambassador of the Islamic Republic of Pakistan to our country, received the delegation at the train station.

SPA's Yang Greets Danish Parliamentary Speaker

SK1710111694 Pyongyang KCNA in English 1039 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Yang Hyong-sop, chairman of the Supreme People's Assembly [SPA], sent a message of greetings to Erling Olsen, upon his election as speaker of the Parliament of the Kingdom of Denmark.

The message expressed the belief that the friendly relations between the parliaments of the two countries would further strengthen and develop and wished him success in his work.

Kang Song-san Sends Greeting to Burundian Leader

SK1410235294 Pyongyang KCNA in English 2226 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—Kang Song-san, premier of the Administration Council, sent a message of greetings to Anatole Kanyenkiko upon his reappointment as prime minister of the Republic of Burundi.

The message expressed the belief that the friendly and cooperative relations between the two countries would continue to develop and wished him great achievements in his responsible work for the prosperity of the country.

African Leaders Show Support for Korean 'Cause'

SK1810120994 Pyongyang KCNA in English 1043 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—Ghanaian President Jerry John Rawlings and General Secretary of the Party for Unity and Progress of Guinea El Hadj Boubacar Biro Diallo voiced support to the Democratic People's Republic of Korea (DPRK) in its cause of justice.

The Ghanaian president told a DPRK group for technical cooperation in sculpture on October 11 that President Kim Il-song was a thinker and theoretician and outstanding leader who united the Korean people into one and turned Korea into a powerful country.

"His exploits will be immortal and will be successfully carried forward by His Excellency Kim Chong-il," said the president.

Korea is resolutely defending its sovereignty, not yielding to the pressure and threat from the West, he said, adding that this gives strength and courage to the developing countries.

The Guinean party leader visited the DPRK Embassy in his country on October 10 on the 49th founding anniversary of the Workers' Party of Korea, and said: "Though the Korean people lost their great leader, they are vigorously promoting the revolutionary cause of chuche with confidence under the leadership of His Excellency Kim Chong-il, changing sorrow into strength and courage."

"There is no one who can match the strength of the Korean people united in one mind around His Excellency Kim Chong-il, supreme commander of the Korean People's Army," he said, expressing full support to the Korean people's cause of national reunification.

Kim Yong-nam Greets Central African Counterpart

SK1710152494 Pyongyang KCNA in English 1514 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Foreign Minister Kim Yong-nam exchanged messages of greetings with Simon Bedaya Ngaro, minister for Foreign Affairs and French-speaking countries of the Central African Republic, on the 25th anniversary of the establishment of diplomatic relations between the two countries.

The messages expressed the belief that the friendly and cooperative relations between the two countries that had developed on the basis of friendship, peace and solidarity over the last 25 years would grow in scope and strength.

Malagasy Parties Express Solidarity With North

SK1410153494 Pyongyang KCNA in English 1504 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—Nine political parties of Madagascar including the Action for the Renaissance and the Monima Socialist Organization released a joint statement on October 5 expressing solidarity with the Korean people's struggle for the reunification of the country.

The statement said the proposal for founding the democratic confederal republic of koryo and "10-point programme of the great unity of the whole nation for the reunification of the country" put forward by the great leader President Kim Il-song indicate the most reasonable way of promoting Korean reunification.

It urged the United States and the South Korean authorities to accept them, stop joint manoeuvres against the Democratic People's Republic of Korea for good and all and ensure peace on the Korean peninsula.

It demanded that the United States withdraw its troops from South Korea and agree to replacing the Armistice Agreement with a peace agreement and that the nuclear issue be resolved in accordance with the just proposal of the DPRK.

Greetings Exchanged With Cote d'Ivoire Minister

SK1510043894 Pyongyang KCNA in English 0426 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang, October 15 (KCNA)—Foreign Minister of the Democratic People's Republic of Korea Kim Yong-nam and his counterpart of Cote d'Ivoire, Amara Essy, exchanged messages of greetings on the tenth anniversary of the establishment of diplomatic relations between the two countries.

In his message Kim Yong-nam expressed the belief that the friendly and cooperative relations between the two countries will continue developing favorably and wished the foreign minister of Cote d'Ivoire success in his responsible work.

Amara Essy in his message wished the friendly people of the DPRK peace and prosperity and expressed the belief that the friendly and cooperative relations between the two countries will further develop for greater wellbeing of the two peoples.

Meeting on Chuche Idea Appeal Held in Tanzania

SK1410153294 Pyongyang KCNA in English 1507 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—A meeting of accepting and discussing the appeal sent by the Asian Regional Institute of the Chuche Idea to the followers of the chuche idea of the world was held at the Tanzanian National Coordinating Committee of the chuche idea studying groups on October 1.

The appeal adopted on September 3 designated February 16, the birthday of the dear leader Comrade Kim Chong-il as the day of chuche and decided to celebrate it grandly as the common holiday of mankind traditionally and to convene an international seminar on the chuche idea on this occasion.

The meeting participated in by the officials of the Tanzanian National Coordinating Committee of the Chuche Idea studying groups and chiefs and members of the groups, heard the appeal to the followers of chuche idea of the world and discussed it article by article.

The participants expressed their determination to actively study and disseminate the chuche idea and invigorate a movement of solidarity with the Korean people.

The meeting decided that the groups should discuss the appeal in detail and map out an action programme and adopted a statement supporting the appeal.

Delegates Return Home From UN General Assembly

SK1710133694 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 14 Oct 94

[FBIS Translated Text] A delegation of the DPRK headed by Vice Foreign Minister Choe Su-hon, which attended the 49th United Nations General Assembly, returned home by air on 14 October.

The delegation was met at the airport by functionaries in the relevant sector, including Vice Foreign Minister Yi In-kyu.

Foreign Leaders Support People's 'Just Cause'

SK1510103294 Pyongyang KCNA in English 1017 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang, October 15 (KCNA)—Foreign state leaders expressed support to the just cause of the Korean people.

Indonesian President Suharto met Chairman of the State Agricultural Commission Kim Won-chin who is heading a delegation of the Democratic People's Republic of Korea to the conference of ministers of agriculture of non-aligned and other developing countries and expressed the hope that the Korean people will continue to achieve victory and progress in the efforts for the prosperity of the country under the leadership of His Excellency Kim Chong-il.

Burundian President Sylvestre Ntibantunganya, when he received the DPRK ambassador to his country, expressed the belief that the Korean people will successfully accomplish the cause of President Kim Il-song under the wise guidance of His Excellency Kim Chong-il, the dear leader.

He declared that his government and people hope for an early achievement of the independent and peaceful reunification of Korea, fully support the realistic and fair proposals put forward by the DPRK Government for national reunification and favor the DPRK-U.S. talks for a solution to the nuclear issue in the Korean peninsula.

Prime Minister of Central Africa Jean-Luc Mandaba, when he received the DPRK ambassador to his country, said he believes that the cause started by His Excellency President Kim Il-song, the great leader, will successfully be accomplished under the leadership of His Excellency Kim Chong-il, the successor to it.

He held that the nuclear issue of the Korean peninsula must be resolved by means of negotiation through DPRK-U.S. dialogue.

"I sincerely hope that Korea will be reunified independently and peacefully by the confederacy formula," he said.

Foreign Officials Support National Reunification

SK1510215494 Pyongyang KCNA in English 1507 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang October 15 (KCNA)—The struggle of the Korean people for national reunification has been fully supported in different countries.

N.T. Mawema, member and director of the Political and Cultural Department of the Central Committee of the Zimbabwe African National Union-Patriotic Front, said the proposal for founding the Democratic Confederal Republic of Koryo (DCRK) is the most just reunification overture which has won undisputed support and welcome from all the people in the North and the South of Korea and the Zimbabwean party and people fully support it and extend solidarity with the Korean people in their struggle. He was addressing a meeting held on October 7 on the 49th founding anniversary of the Workers' Party of Korea and on the lapse of 14 years since the afore-said proposal was published.

Secretary General of the Malian Committee for Supporting the Independent and Peaceful Reunification of Korea El Hadj Cheick Soumano in his lecture on October 1 in the month of support to the DCRK founding proposal, said the proposal put forward by President Kim Il-song is the most just proposal which makes it possible to reunify the country in accordance with the July 4 joint statement the keypoint of which is the principles of independence, peaceful reunification and great national unity.

The Senegalese Organization for Friendship with the Fraternal Korean people said in a statement October 4: "We fully support the proposal advanced recently by the Democratic People's Republic of Korea for the establishment of a new peace arrangement in the Korean peninsula, considering it to be an epoch-making and constructive proposal which not only makes it possible to achieve a substantial peace in this region but can make a great contribution to the world peace. [no closing quotation mark as received]

The All India Indo-Korean Friendship Association in a statement October 3 said the Korean nation must establish the DCRK, a reunified state, so that the Korean question may be resolved peacefully and independently. It called on the peaceloving forces of India to extend full support to the DCRK founding proposal.

Express 'Solidarity' to Envoys

SK1710151894 Pyongyang KCNA in English 1506 GMT 17 Oct 94

[All names are as received]

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Foreign party leaders expressed full support and solidarity for the Korean people's cause of national reunification, when they received the Korean ambassadors to their countries.

Madhav Kumar Nepal, general secretary of the Central Committee of the Nepal Communist Party (United Marxism-Leninism), expressed the hope that the Workers' Party and people of Korea under the outstanding guidance of the dear leader Comrade Kim Chong-il will win one great victory after another in their cause of socialism.

"Our party will always extend full support and solidarity to the Korean people in their cause of socialism and national reunification," he stated.

Mohamed Bel Hadj Amor, general secretary of the People's Unity Party of Tunisia, expressed full support to the 10-point programme of the great unity of the whole nation and the proposal for reunification by confederacy formula, which were put forward by the great leader Comrade Kim Il-song, and extended firm solidarity to the Korean people in their struggle for the independent, peaceful reunification of the country.

Ahmed Nejib Chabbi, general secretary of the Progressive Socialist Rally of Tunisia, noted that his excellency the great leader Kim Il-song was a world-famous statesman who founded the chuche idea, built the most excellent socialism of Korean style and fought in defence of socialism.

He voiced positive support to the proposal for reunification through confederacy put forward by the great leader Comrade Kim Il- song.

Ibrahima Ndiai, secretary general of the Executive Committee of the African Party for the Solidarity and Justice of Mali, expressed the hope that Korea would be reunified at an early date in accordance with the proposal for founding the Democratic Confederal Republic of Koryo advanced by the great leader President Kim Il- song.

Inaam Raad, chairman of the Nationalist Socialist Party of Syria in Lebanon, said that respected Comrade Kim Il-song was a great revolutionary who devoted his all to a solution of the nuclear problem on the Korean peninsula and the cause of national reunification till the last moments of his life.

He expressed firm solidarity with the Korean people in their struggle to defend the sovereignty of the country and achieve the reunification of the country under the wise guidance of dear Comrade Kim Chong-il, the great leader of the Korean people, and hoped that Korea would be reunified by the confederacy formula.

Gatherings Held Abroad Mark North's Anniversary

SK1810114994 Pyongyang KCNA in English 1032 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—Joint seminars, celebration meetings, solidarity rallies and other functions took place recently in Zimbabwe, Congo, Austria, India, Ghana and Mongolia in celebration of the 49th founding anniversary of the Workers' Party of Korea and in the month of support to the proposal for founding the Democratic Confederal Republic of Koryo [DCRK].

The participants in the functions observed a moment's silence in memory of the great leader President Kim Il-song.

Charles Ndlovu, member of the Central Committee of the Zimbabwe African National Union-Patriotic Front and editor-in-chief of the PEOPLE'S VOICE, addressed the opening ceremony of the month of support to the proposal for founding the Democratic Confederal Republic of Koryo held in Zimbabwe.

He said the proposal for founding the DCRK put forward by the great leader Comrade Kim Il-song enjoyed unanimous support of all the people in the North and the South of Korea and the peaceloving people of the world.

He hoped that the Korean people under the tested guidance of their great leader Comrade Kim Chong-il would certainly achieve the reunification of the country by the confederation formula in accordance with "10-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country" which was set forth by the respected leader Comrade Kim Il-song.

Speaking at the joint seminar on "10-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country" held in Karachi, Taz Haider, assistant to the prime minister of the Government of Sind Province, Pakistan said that the 10-point programme of the great unity of the whole nation is the most fair and aboveboard patriotic reunification proposal acceptable to all.

Stressing that anyone who desire the reunification of Korea must accept this program, he urged that the United States must no longer hinder the reunification of Korea and the South Korean authorities must no more suppress the South Korean people and students who are waging a righteous struggle for the reunification of the country.

Congratulatory messages and letters to the dear leader Comrade Kim Chong-il were adopted at the functions.

Foreign Leaders Send Greetings to Kim Chong-il

SK1810044294 Pyongyang KCNA in English 0426 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—The dear leader of our party and our people

Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army, received a message of greetings from Yasir 'Arafat, president of the State of Palestine, chairman of the Executive Committee of the Palestine Liberation Organisation and head of the National Authority of Palestine, on the occasion of the 49th founding anniversary of the Workers' Party of Korea.

On this occasion, he also received messages of greetings from George Habash, general secretary of the Central Committee of the Popular Front for Liberation of Palestine; Ernest Kabusheneye, president of the People's Rally of Burundi; Christope Gbenye, national chairman of the Lumumba National Movement of Zaire; Gustavo Tablada Celaya, chairman of the Nicaraguan Socialist Party; Rossie Douglas, leader of the Labour Party of Dominica; Peter Persaud, leader of the Amerindian Action Movement of Guyana; Eric Sealy, leader of the People's Pressure Movement of Barbados; and Denzil Douglas, leader of the St. Kitts-Nevis Labour Party.

The messages extend warmest congratulations to Comrade Kim Chong- il and wish him good health and long life.

They express the belief that the Workers' Party and people of Korea will register a big success in socialist construction and the struggle for the independent reunification of the country under the wise guidance of Comrade Kim Chong-il.

Russian Workers' Party Leader

SK1710133894 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 14 Oct 94

[FBIS Translated Text] Tulkin, first secretary of the Central Committee of the Russia Communist Workers' Party [RCWP], has sent a congratulatory message to the dear leader of our party and our people Comrade Kim Chong-il on the 49th anniversary of the founding of the Workers' Party of Korea [WPK].

The message follows:

Pyongyang:

To Comrade Kim Chong-il, the leader [yongdoja] of the Korean people:

Dear Comrade Kim Chong-il:

The Central Committee of the RCWP is extending congratulations to you, and through you, to the WPK, and to all Korean people on the 49th anniversary of the founding of the WPK.

Comrade Kim Il-song, the great leader of the nation, founded the WPK, and won victory in the anti-Japanese revolution by leading the Korean people; and he destroyed [kyokmyol] the U.S. imperialist aggressors and constructed socialism based on the chuche idea.

We believe that the WPK will firmly lead the Korean people to the advance of the revolution and to the accomplishment of socialism under your direct leadership.

We are convinced that, as has been elucidated in the 10-point program for the grand unity of the whole nation for the fatherland's reunification, the DPRK's wise and firm position will realize the national will; will put an end to the half a century-long history of division; and will achieve the fatherland's reunification.

Respected Comrade Kim Chong-il:

We wish you good health and a long life, and a success in the realization of the noble cause serving the working people.

[Signed] Tulkin, first secretary of the Central Committee of the Russian Communist Workers' Party
[Dated] 6 October, 1994

Romania, U.S. Workers' Party

SK1710053494 Pyongyang KCNA in English 0506 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—The dear leader of our party and our people Comrade Kim Chong-il received messages of greetings from foreign party leaders on the 49th anniversary of the foundation of the Workers' Party of Korea [WPK].

The messages came from Ilie Verdet, president of the socialist Workers' Party of Romania; Huudu Yahaya, general secretary of the National Democratic Congress of Ghana; Ngoy Nduba, secretary general of the Lumumba Democratic Party of Zaire; and Sam Marcy, chairman of the Workers World Party of the United States. [names as received]

The messages extend warmest felicitations to Comrade Kim Chong-il on the founding anniversary of the WPK and wish him a long life in good health.

The messages wish the WPK and Korean people achievements in the struggle for the building of socialism and defense of the sovereignty of the country under the leadership of Comrade Kim Chong-il, true to the behests of President Kim Il-song.

Comrade Kim Chong-il also received messages of greetings from the Central Committee of the Romanian Communist Party and the Central Committee of the Party of Communists of Belarus on the anniversary.

Nepal, Sierra Leone, Cambodia

SK1510043294 Pyongyang KCNA in English 0424 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang, October 15 (KCNA)—The dear leader of our party and our people Comrade Kim Chong-il received messages of greetings from foreign state and party leaders on the occasion of the 49th anniversary of the foundation of the Workers' Party of Korea [WPK].

The messages came from Valentine Esegragbo Melvin Strasser, head of state and chairman of the National Provisional Ruling Council of Sierra Leone; Sylvestre Ntibantunganya [spelling of name as received], president of the Republic of Burundi and chairman of the Democratic Front of Burundi; Chea Sim, chairman of the Central Committee of the People's Party and acting head of state of Cambodia; Norodom Ranariddh, chairman of the Funcinpec Party; Madhav Kumar Nepal, general secretary of the C.C. [Central Committee], the Nepal Communist Party (United Marxism-Leninism); O. Shenin, chairman of the Council of the Union of Communist Parties-the Communist Party of the Soviet Union; V. Tyulkin, first secretary of the Central Committee of the Communist Workers' Party of Russia; V.I. Skurlatov, chairman of the Executive Committee of the Russian Free Patriotic Party for "Revival", and I.N. Brumel, chairman of the Moscow Organisation of the Party. The messages extend warmest felicitations to Comrade Kim Chong-il on the founding anniversary of the WPK and wish him a long life in good health.

The messages express the belief that the WPK and Korean people will make greater achievements in the building of socialism under the leadership of Comrade Kim Chong-il.

PRC Group Brings Gift for Kim Chong-il

SK1810120594 Pyongyang KCNA in English 1054 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Dear Comrade Kim Chong-il, the great leader of our party and our people, received a gift from the friendship visiting group of the Communist Party of China [CPC] on a visit to Korea.

The gift was handed to an official concerned by head of the group Cheng Weigao, member of the CPC Central Committee and secretary of the Hebei Provincial Committee of the Party.

Health Group Delivers Gift for Kim Chong-il

SK1510105594 Pyongyang KCNA in English 1036 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang, October 15 (KCNA)—Comrade Kim Chong-il, the dear leader of our party and our people, received a gift from Uton Muchtar Rafei, director of the Southeast Asia regional office of the World Health Organization, on a visit to Korea.

The gift was handed to an official concerned.

People Urged To Remain Loyal to Kim Chong-il

SK1810110294 Pyongyang KCNA in English 1053 GMT 18 Oct 94

["Papers call for fresh upsurge in socialist construction under leadership of Comrade Kim Chong-il"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—The true way of faithfully fulfilling what the respected leader Comrade Kim Il-song intended in his lifetime and successfully accomplishing his revolutionary cause lies in the whole party, all the people and the entire Army courageously turning out in hastening the general march in all fields of socialist construction with renewed resolution and fighting spirit, remaining loyal to the leadership of the dear leader Comrade Kim Chong-il, stresses NODONG SINMUN today.

In an editorial entitled "Let us effect a new upsurge in socialist construction, remaining loyal to the leadership of the dear leader Comrade Kim Chong-il," the daily says that our people are now confronted with the tasks to bring about a new turn in all fields of the revolution and construction by faithfully fulfilling our solemn pledge to the party and the leader.

It quotes the great leader Comrade Kim Il-song as saying:

"I firmly believe that you will work hard for the accomplishment of the revolutionary cause of chuche, the cause of socialism, remaining loyal to the leadership of Comrade Kim Chong-il in the future."

The leadership of the dear leader Comrade Kim Chong-il is the banner for all victories of the Korean revolution and a decisive guarantee for successfully carrying forward to accomplishment the cause of Korean-style socialism, the editorial notes, and goes on:

Under his leadership the future of the Korean revolution is very bright and its victory is firmly guaranteed.

To push ahead with the building of socialism under the leadership of the dear leader was the noble intention of the great leader Comrade Kim Il-song and it is the noblest work to fulfill his behests.

To effect a fresh revolutionary upswing in socialist construction, upholding the leadership of Comrade Kim Chong-il, is a sure guarantee for defending our socialism and giving full play to its advantages.

The key to defending our socialism, meeting the enemy's challenges, lies in accelerating the revolution and construction, firmly united around him. Our socialist position will be consolidated when the whole party, all the people and the entire Army, in singlehearted unity, work new miracles and feats in implementing the party's revolutionary economic strategy and give fuller play to the advantages of our socialism.

It is to live up to the expectation of the world's revolutionary people to increase the might of our socialism by pushing ahead with socialist construction under the leadership of the dear leader.

All the party members and other working people should make a dynamic advance with the firm belief that there is nothing impossible in the world for us to do and we will surely win when we are guided by the dear leader.

Bright is the future of our people with the dear leader Comrade Kim Chong-il at the head of the party, the state and the revolutionary Armed Forces and victory is always in store for us, the editorial declares.

MINJU CHOSON carries an editorial headlined "Let us dynamically advance the chuche cause of socialism, remaining loyal to the leadership of the dear leader Comrade Kim Chong-il". The decisive guarantee for victoriously carrying forward to accomplishment the cause of socialism lies in remaining faithful to the leadership of Comrade Kim Chong-il, it says.

The editorial calls for vigorously advancing the cause of Korean- style socialism centred on the popular masses under the uplifted revolutionary banner of the chuche idea, closely united around the dear leader.

Kim Chong-il's Remarks on Kim Il-song Reported

SK1810031994

[FBIS Editorial Report] The following is a compilation of reports on remarks made by Kim Chong-il on Kim Il-song and his revolutionary achievements.

Pyongyang Korean Central Broadcasting Network in Korean at 0123 GMT on 16 October carries a 11-minute unattributed talk entitled "100 Days of Feats and Loyalty." Noting that the hearts of the Korean people, who lost the father of the nation, are filled with resolution to thoroughly implement the "lofty intentions" the leader [suryong] cherished in his lifetime, the talk says: "The dear leader Comrade Kim Chong-il has indicated: The revolutionary faith of Korean communists and Korean people to uphold the respected leader Comrade Kim Il-song is rock-firm and immortal and invariable."

Pyongyang Korean Central Broadcasting Network in Korean at 0400 on 16 October carries a 26-minute unattributed talk entitled "The Fatherly Leader Is Alive Forever in the Hearts of Fellow Countrymen." The talk quotes "the dear leader Comrade Kim Chong-il" as saying: "The greatness of the leader [suryongnim] is the very greatness of our nation. It is a great honor and is the pride of all the Korean people to uphold the great leader [suryongnim]—a national hero and peerless great man—as the leader [yongdoja] of the nation."

Pyongyang Korean Central Broadcasting Network in Korean at 0515 GMT on 16 October carries a 20-minute program that includes an unattributed talk entitled "Let Us Uphold the Leader's [suryong] Lifetime Wishes." The talk says that the dear leader Comrade Kim Chong-il has indicated: "We should regard the teachings of the great leader Comrade Kim Il-song as the law and supreme order, and should unconditionally and thoroughly carry them to accomplishment by demonstrating the sense of boundless devotion and of sacrifice without presenting even a minor excuse and pretext."

Russian Visitor Praises President Kim Il-song

SK1810115994 Pyongyang KCNA in English 1039 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—Vladimir Tolstikov, chairman of the Russian Association for Friendship and Cultural Cooperation with the DPRK, on a visit to Korea was interviewed by reporters in Pyongyang on October 17.

He is one of the participants in the liberation of Korea in August 1945 and worked in Korea during the three-year war.

He expressed deep condolences on the death of the great leader President Kim Il-song on behalf of the Russian public and gave his impressions of Korea.

He said that Comrade Kim Il-song embarked upon the road of the revolutionary struggle in his early years, ended the colonial rule of Japanese imperialism, performed the great feats of national liberation and wisely led socialist construction and the struggle for the reunification of the country after the liberation.

"The Democratic People's Republic of Korea is, indeed, the attractive beacon of socialism in Northeast Asia and great changes which the world could not witness since the era of King Tangun have taken place in the northern half of Korea over the last half a century," he said

Noting that the great leader Comrade Kim Il-song spent busy days for national reunification, he stressed "10-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country", one of his recent works, indicates a profound idea on the way and form of reunification.

He said:

"The greatest feat performed by Comrade Kim Il-song is that he, concerned about the destiny of the people, put up Comrade Kim Chong- il, the great leader deeply respected by the people as the excellent successor to his cause.

"Comrade Kim Chong-il is a great leader who is leading the revolution with his high intelligence and art of command to accomplish the cause of chuche pioneered by Comrade Kim Il-song.

"Staying in Korea we could see at first hand that the Korean people are more closely united around Comrade Kim Chong-il, the great respected leader, true to the intention of Comrade Kim Il-song in his lifetime, turning sorrow into the strength of creation.

"We earnestly ask the Korean people to always remain intensely loyal to dear Comrade Kim Chong-il, the great leader. This is an ardent desire of the progressive people of the world."

Memorial Services for Kim Il-song Held Abroad

SK1810105994 Pyongyang KCNA in English 1002 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—Memorial services were held in-Moscow by representatives of Moscow public circles and the staff of the Russian paper PATRIOT on the hundredth day after the death of the great leader President Kim Il- song.

Memorial services were also held in Sofia, in New Delhi under the sponsorship of the Asian Regional Institute of the Chuche Idea, in Baktapur city under the sponsorship of the Nepal Worker-Peasant Party, at the Palestine Liberation Organization in Libya, and in Amman.

The participants in the services laid wreaths before portraits of President Kim Il-song and observed a moment's silence to honor his memory.

Memorial addresses were made.

The speakers said that President Kim Il-song will always be with the progressive people of the world for his immortal exploits for the Korean revolution and the world revolution and for humankind.

Narayan Man Bejukchhe, chairman of the Nepal Worker-Peasant Party, said in his memorial address that the service was specially organized to always remember the great Comrade Kim Il-song and deeply cherish and learn from the great revolutionary idea founded by him and exploits performed by him.

Boris Petkov, chairman of the Executive Council of the Central Committee of the Bulgarian Communist Party (Marxist), in his memorial address said that dear Comrade Kim Chong-il, the supreme leader of the Korean people, is leading the revolutionary cause pioneered by the great Comrade Kim Il-song along a road of brilliant victory and expressed the firm belief that the Korean people will smash the manoeuvres of the reactionaries of all hues and defend and accomplish the socialist cause under his wise leadership.

Services Held in Tokyo

SK1710111194 Pyongyang KCNA in English 1030 GMT 17 Oct 94

[FBIS Transcribed Text] Tokyo, October 15 [date as received] (KNS-KCNA)—A memorial service was held at the overseas headquarters of the National Alliance for the Country's Reunification (Pomminnyon) in Tokyo on October 15 on the one hundredth day after the death of the great leader President Kim Il-song.

Present there were Vice-chairman So Man-sul, Vice-chairman Kwak Tong-ui, Director of the Secretariat Yim Min-sik of the overseas headquarters of Pomminnyon, and central members of the overseas headquarters and secretaries of the regional headquarters.

A message of condolence from the Preparatory Committee for the Formation of the South Side Headquarters of Pomminnyon was conveyed at the service.

Yim Min-sik made a memorial address.

Noting that the whole life of President Kim Il-song was an immortal history of a legendary hero and peerless patriot of the nation and the lodestar of reunification, who was the greatest of the great men, he said that the brothers and sisters of the DPRK have vigorously turned out in a grand struggle for national reunification and the accomplishment of the socialist cause, turning their grief at the loss of great president into fresh strength and courage, under the leadership of respected General Kim Chong-il. "We will certainly achieve the reunification of the country, the cherished desire of the nation, in the 90s by closely uniting into one with the compatriots of the North and the South of the homeland, under the banner of [words indistinct] reunification program and the great unity of the whole nation indicated by the respected president," he declared, and said: "Respected President Kim Il-song will always be with us and his immortal exploits will shine forever in the history of the nation."

Those present paid a silent tribute to the memory of President Kim Il-song with deep reverence.

Koreans in Japan Hold Service

SK1710111894 Pyongyang KCNA in English 1037 GMT 17 Oct 94

[FBIS Transcribed Text] Tokyo, October 15 (KNS-KCNA)—A memorial service of the Koreans in Japan was held at the Korean House of Culture in Tokyo on October 15 on the hundredth day after the death of the great leader Generalissimo Kim Il-song.

It was attended by first Vice-chairman Yi Chin-kyu, chief vice-chairman Ho Chong-man and other vice chairmen and department directors of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), senior officials of organisations and enterprises under Chongnyon, officials under the Tokyo metropolitan headquarters of Chongnyon and Korean residents from all walks of life and youths and students.

Yi Chin-kyu made a memorial address at the service.

He said:

"Generalissimo Kim Il-song peerless in the nation's history of five thousand years will always be with us, [words indistinct] with his immortal revolutionary exploits. He was a peerless patriot, legendary hero and the greatest of the great men revered by all the world people, who devoted his whole life of 80 odd years to the independence and prosperity of the country, the happiness of our people and the reunification of the country and the accomplishment of the cause of global independence.

"The officials of Chongnyon and Korean residents in Japan are filled with the determination to change today's sorrow into a thousand-fold strength and courage and exalt through generations the imperishable revolutionary exploits of the great leader under the wise leadership of respected supreme commander General Kim Chong-il.

"The great leader means respected General Kim Chong-il, and General Kim Chong-il means the destiny of the socialist homeland and us Koreans in Japan and a symbol of all victories.

"We will closely unite around respected General Kim Chong-il in one mind, strengthen Chongnyon as a chuche-type patriotic organisation successfully implementing his idea and leadership and bring about a new turn in all work of Chongnyon, true to the behests of the great leader."

Yo Song-kun, vice-chairman of the Federation of Korean Traders and Industrialists in Japan; Song Su-il, chairman of the Korean University Committee of the League of Korean Youth in Japan; Kim Il- sun, vice-chairperson of the Democratic Union of Korean Women in Japan; and Choe Tong-ok, permanent adviser to the Union of Korean Literary Men and Artists in Japan; spoke at the service, expressing their determination.

Foreign Party Leaders Praise Kim Il-song

SK1710152394 Pyongyang KCNA in English 1512 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Leaders of foreign political parties, feeling irrepressible sorrow at the death of the great leader President Kim Il-song, highly praise his revolutionary exploits in the messages which they sent on every occasion.

Angel Castro Lavarello, chairman of the National Liberation Front of Peru, said that the great leader Generalissimo Kim Il-song holds the noblest, immortal and everlasting brilliant place in the history of human struggle.

World history does not know such a great brilliant commander as Comrade Kim Il-song who embarked upon the road of the revolution at his young age of 13, defeated Japanese imperialism and drove back the shameless aggression by the U.S. imperialists, thus defeating two imperialisms in one generation.

Betty Frydensbjerg Carlsson, chairman of the Communist Party of Denmark, said that Comrade Kim Il-song was a great man and a great leader who devoted his whole life to the struggle for peace, independence and social justice of the Korean people and the oppressed peoples of the world against imperialism, war and exploitation.

"Comrade Kim Il-song will always be alive in the hearts of the world people as a great leader of the international communist movement," she stressed.

Secretary General of the Party of Revolution of Benin Ali Houdou said that the great leader Comrade Kim Il-song was a bright sun who founded the immortal chuche idea and built a Korean-style socialism, a paradise for the people, by applying the idea to the revolutionary practice, thus giving honor, dignity and the great truth of anthropocentricism to the Korean people and the progressive peoples of the world.

Florian Petrescu, president of the National Committee of the Socialist Party (Communist) of Romania, noted that the death of Comrade Kim Il-song, an outstanding leader of the international communist and working-class movements, is a painful loss not only to the Workers' Party and people of Korea but also to the international communist and working-class movements.

Gerard Francois Yandza, chairman of the African Socialist Movement of the Congo, said that the great feats performed for the world revolution by His Excellency President Kim Il-song, the greatest of the great men respected by the Korean people and the whole world will be remembered forever.

Peruvian City Grants Honor to Kim Il-song

SK1410233994 Pyongyang KCNA in English 1058 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—The honorary citizenship of Caraz city, the seat of Huaylas Province, Peru, as awarded to the great leader President Kim Il-song.

A meeting was held at the Caraz City Hall on October 8 to convey the certificate of the honorary citizenship and medal of Caraz city awarded to President Kim Il-song. Enrique Billegas [spelling of name as received], governor of the province and concurrently mayor of the city, in his speech at the meeting said:

It is the honor, joy, and pride of our entire citizens to award the honorary citizenship of Caraz city to President Kim Il-song who liberated the Korean people from centuries-old backwardness and poverty and built a strong and prosperous sovereign, independent state.

President Kim Il-song built on the ruins of war a country of independence, self-sufficiency and self-respect in national defence, a model for the world, and made contributions to the world revolution.

Our provincial and city councils decided to present the honorary citizenship of our city to him highly estimating the undying feats performed by him for the Korean people and the humankind of the world. Though President Kim Il-song passed away, his undying idea and feats will always remain in the hearts of our entire Caraz citizens.

The certificate and medal were handed to the Korean ambassador amidst loud applause of the participants at the meeting.

British Editor Lauds Kim Il-song's Feats

SK1410233194 Pyongyang KCNA in English 2156 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—Keith Bennett, political editor of the British paper ASIAN TIMES, published an article on the threshold of the one hundredth day after the death of the great leader President Kim Il-song.

The article says the whole world feels great regret at the death of President Kim Il-song, who performed immortal feats for the Korean revolution and the international communist movement, recalling with deep emotion his life and history of struggle.

It notes that President Kim Il-song born into a family that had been patriotic and revolutionary for generations won the liberation of Korea by organizing and leading the anti-Japanese armed struggle, and triumphantly guided the fatherland liberation war against the invasion of the U.S. imperialists, advanced a unique line of socialist construction and wisely directed the efforts for its implementation, thus turning Korea into a developed socialist country as it is today.

The article points out that he put forward reasonable proposals for national reunification including the confederacy formula of reunification and the 10-Point Programme of the Great Unity of the Whole Nation and made strenuous efforts for the reunification of the divided country.

Saying that he was a towering figure in global politics and a veteran statesman who made all efforts for the unity of the international communist movement and for the victory of the anti- imperialist, anti-U.S. struggle, the article goes on:

He was the greatest friend and staunchest supporter of all those who stood for independence against imperialism. So, heads of state and leaders of many countries sent messages expressing deep condolences on his death. In their messages Deng Xiaoping and party and state leaders of China, King of Cambodia Norodom Sihanouk, Fidel Castro Ruz, first secretary of the Central Committee of the Communist Party of Cuba, president of the Council of State and president of the Council of Ministers of the Republic of Cuba, and many other state leaders highly praised Comrade Kim Il-song as the founder of the Workers' Party of Korea and the Democratic People's Republic of Korea, a veteran, great leader of the Korean people, an ever-victorious iron-willed brilliant commander who wisely led the struggle against the U.S. and Japanese imperialists and an elder statesman in the revolution who steadfastly defended the non-aligned movement, all the cause of justice, freedom, peace and wellbeing of the people and remained faithful to the world socialist idea. And they said the immortal feats performed by the great leader Comrade Kim Il-song in the anti-imperialist struggle and the cause of the oppressed people will remain recorded long in history.

Because Comrade Kim Il-song always realised that the revolutionary cause must be carried through to completion over generations and centuries, he made a lasting contribution by addressing himself to the question of the succession to the leadership of the revolutionary cause he pioneered. The dear leader Comrade Kim Chong-il is distinguished and daring in theory, highly skilled in practical work, has a deep insight into matters of politics, economics, military, philosophy and culture. We, adherents of the chuche idea, take this occasion to pledge that we will rally around and uphold Comrade Kim Chong-il, support and defend the DPRK and promote the great cause of global independence, holding the great leader Comrade Kim Il-song in boundless esteem forever. We will never forget Comrade Kim Il-song.

Foreign Groups Send Wreaths to Kim's Statue

SK1610084994 Pyongyang KCNA in English 0820 GMT 16 Oct 94

[FBIS Transcribed Text] Pyongyang, October 16 (KCNA)—Wreaths are being sent to the statue of the great leader President Kim Il-song on Mansu Hill in Pyongyang from all parts of the world on the one hundredth day after his death.

Laid before the statue on October 15 were wreaths from the Afro- Asian People's Solidarity Organision, the Tricontinental People's Solidarity Organisation, the Asian Regional Committee for Supporting Korea's Reunification, the All India Indo-Korean Friendship Association, the African Regional Committee for Friendship and Solidarity with the Korean People, a Cuban woman lawyer, the Japan Committee for Supporting the Independent and Peaceful Reunification of Korea, the chairman of the Peru-Korea Institute of Culture and Friendship, the principal of the Ali Ali High School in Karachi, Pakistan, the family of the acting chairman of the Tunisia-Korea Friendship Association, the members of the Nepal-Korea Friendship Association, the S.B.B. Company Ltd. Japan, the Japan-Korea Friendship Data Centre, the Longxing Trading Company of Jilin Province Metals and Minerals Import and Export Corp. and other trading corporations of China.

The Central Committee of the Federation of Chinese Residents in Korea and Chinese residents in Pyongyang laid 30 wreaths before the statue of President Kim Il-song and observed a moment's silence in his memory.

People Continue Visiting Kim Il-song's Statues

SK1610084894 Pyongyang KCNA in English 0816 GMT 16 Oct 94

[FBIS Transcribed Text] Pyongyang, October 16 (KCNA)—The Korean people are meeting in deep grief the 100th day after the death of the respected leader President Kim Il-song, the great father of the nation.

Over the last 100 days, the Korean people have shed tears at the loss of the father of the nation, looking back on the immortal achievements President Kim Il-song made, devotedly working for the people under the motto of "Believing in the people as in heaven" and they have made oaths of loyalty to remain true to his behests.

In this period, they have honoured his memory day and night before his statues on Mansu Hill in the city center of Pyongyang and in other parts of the country, their longing for him growing deeper.

All Koreans, old and young, have visited the statues with wreaths and bouquets of flowers including magnolia and the lily of the valley he loved so much in his lifetime.

On October 8 alone, 909,000 people, soldiers and youths and students in Pyongyang visited his statue on Mansu Hill with some 550 wreaths and 69,700 bouquets to honour his memory.

People from North Hwanghae Province visited his statue on Mansu Hill with a wreath of flowers of wild insam (ginseng) with their longing for him. The wreath was made with 1,994 blossoms of wild insam they had picked in the province visited by the president.

The teachers and students of a senior middle school in Haeju City, South Hwanghae Province, came to Pyongyang with a wreath made with blossoms of frost-work flowers, representing the earnest feelings of Haeju citizens.

People visit his statues early in the morning before going to work and visit the statues again in the evening after a day's successful work.

The Korean people deeply long for him, thinking that he will always be with them.

'Endless Stream' Described

SK1510103094 Pyongyang KCNA in English 1012 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang, October 15 (KCNA)—People from across the country visit in an endless stream the statue of the great leader President Kim Il-song on Mansu Hill in the capital city of Pyongyang.

The great leader in his lifetime treasured and loved the people so warmly and highly praised their achievements, small as they were, with deep satisfaction.

At the thought that they can no more see his smile as bright as sunshine, people shed tears, beating their chests.

"We have brought about this harvest in tears. Please look at the fruits of the bumper year. You promised to meet us again in autumn, didn't you? Why don't you speak, leader?" said the farmers of the Jangchon cooperative farm which the great leader visited in September last year.

With the earnest wish to see him again, the farmers gathered by the sweat of their brow more than eight tons of rice and ten tons of maize from each hectare. They are not the only farmers who have reaped bountiful crops.

Farmers of the Kumsong cooperative farm in Paechon County, South Hwanghae Province, the June 3 cooperative farm in Onchon County, South Phyongan Province, the Taesong district cooperative farm in Pyongyang municipality and other farms which the president had visited came to the hill with heavy sheaves of rice and beans and baskets of fruits. The farmers' hearts contracted with pains when they recalled the tireless efforts the great leader made to bring about rich crops to this land, walking ridges between paddy fields at his advanced age above eighty.

The producers of consumer goods under the Ministry of the Local Industry, who increased the production 43 percent in the last month above the same period last year by actively tapping local raw material resources and the silk-reel workers of the Pyongyang silk mill, who far surpassed their assignments every month, also shed hot tears before the statue of the president, thinking of his deep care for the improvement of the people's living standard.

The transport workers of the Pyongyang railway administration climbed up Mansu Hill again before taking their turn. They contributed to socialist construction by transporting 394,000 more tons of freight than the rated traction tonnage over the last three months through a meticulous organisation and direction of transport, bearing in mind the great leader's teaching that transport is, so to speak, production.

They said: "Fatherly leader, we will come again to see you after making innovations. Whenever you hear the loud whistle sounding in all parts of the country, please remember us who are fulfilling your behests with a loyal heart."

Among the endless stream of visitors are the crew of a trading ship who returned from a long voyage, the family of Kim Chun-sok in Tongan-tong, central district, who review their daily life on Mansu Hill, and young men and women who volunteered to go to coal mines and rural villages to carry into effect the leader's noble intention and demobilized soldiers who are still carrying the knapsacks on their backs.

Socialist Korea will grow stronger and more prosperous, supported by the warm hearts of the people across the country longing for the great leader.

Foreigners Honor Memory of Kim

SK1510045494 Pyongyang KCNA in English 0434 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang, October 15 (KCNA)—A delegation of the Party of Communists of

Belarus headed by secretary of the Central Committee of the party A. Lashkevich, a delegation of the parliamentarians group for Russia-Korea Friendly Relations headed by Chairman Aleksey Ponomaryov and Vice-president of the Guayaquil University of Ecuador Alba Chavez de Alvarado [spelling of name as received] and her party on a visit to Korea laid wreaths and bouquets of flowers before the statue of the great leader President Kim Il-song on Mansu Hill in Pyongyang and observed a moment's silence on October 14.

The head of the delegation of the Party of Communists of Belarus said that no other leader devoted his whole life to the people as Comrade Kim Il-song.

"I firmly believe that the Korean people will make energetic efforts to fulfill his behests, closely rallied around dear Comrade Kim Chong-il, the great leader, overcoming bitter sorrow," he said.

The vice-president of the Guayaquil University of Ecuador said that the great leader Comrade Kim Il-song would be with the Ecuadorian people forever.

"I will change sorrow into strength and courage and augment the ranks of the followers of the chuche idea and thus actively contribute to making the Latin American countries independent as so earnestly desired by him," she said.

PRC, Japanese Delegations Visit

SK1610085094 Pyongyang KCNA in English 0827 GMT 16 Oct 94

[FBIS Transcribed Text] Pyongyang, October 16 (KCNA)—The delegation of the Chinese People's Association for Friendship with Foreign Countries and the Sino-Korean Friendship Association led by Bai Ma, vice-governor of Qinghai Province and chairman of the Provincial Association for Friendship with Foreign Countries, and the delegation of the Council of Young Men's Associations of Japan led by President Kazumi Nishioki on a visit to Korea laid bouquets of flowers before the statue of the great leader President Kim Il-song on Mansu Hill in Pyongyang Saturday and observed a moment's silence.

On the same day, the delegation of the Amur Regional Administration of the Russian Federation and Vietnamese Ambassador to Korea Duong Chinh Thuc and his embassy officials laid a wreath and a bouquet before the statue of President Kim Il-song and observed a moment silent tribute on the one hundredth day after his death.

The head of the Chinese delegation said that Comrade President Kim Il-song was a great leader not only of the Korean people but of the world people, and that they hope the Korean people will register greater achievements in socialist construction under the leadership of the Workers' Party of Korea headed by Comrade Kim Chong-il by changing their sorrow into strength and courage.

The Vietnamese ambassador said that he expresses most painful condolences to the dear leader Comrade Kim Chong-il, the Central Committee of the Workers' Party of Korea and the Korean people on the one hundredth day after respected Comrade Kim Il-song passed away.

Chongnyon Chairman Lays Wreath

SK1810044594 Pyongyang KCNA in English 0437 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—Han Tok-su, chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), staying in the socialist homeland, and his family presented a wreath before the statue of the great leader President Kim Il-song on Mansu Hill on October 17 on the occasion of the one hundredth day after his death.

Written in the ribbon hanging down from the wreath are words "The great leader Comrade Kim Il-song will be immortal."

Han Tok-su said in deep excitement, looking up to the statue of President Kim Il-song:

"Fatherly leader!

"Do you see me firmly standing on my feet without the help of a walking stick? I want to show my healthy body to you, who saw me again and again with a beaming smile on your face and congratulated me, deeply satisfied at the fact that I could walk a few steps.

"The last one hundred days were ones during which I felt deeply what a great and benevolent bosom I enjoyed a life of glory in and I heartily experienced your greatness.

"One hundred days are only a moment in the human history. But, in those days, I have witnessed the great reality about which the history has never known and will not see forever in the future.

"Witnessing the reality of the homeland in those days, I was struck with deep admiration at the greatness and incomparable personality of respected General Kim Chong-il, who had led the revolution and construction as the supreme leader of the party, the state and the Army. And I felt new strength and courage in my old body.

"Our people are, indeed, a happy people blessed with leaders.

"I solemnly pledge myself to build up our Chongnyon organisation really into one of General Kim Chong-il and contribute to the noble cause of national reunification in my remaining days revived by you the fatherly leader with my one day as one year and my one year as ten years, remaining loyal and devoted in one mind to the leadership of General Kim Chong-il, the great leader of the revolution, as you Generalissimo Kim Il-song instructed in your lifetime."

Zhirinovskiy, Tanzanian Official

SK1810110394 Pyongyang KCNA in English 1026 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—Foreigners and overseas Koreans begin their Korean visit with calls at the statue of the great leader President Kim Il-song on Mansu Hill after he passed away.

They lay wreaths and bunches of flowers which they prepared with utmost care before the statue of President Kim Il-song and look back on his revolutionary exploits with deep emotion.

John Samuel Malecela, prime minister and concurrently first vice-president of the United Republic of Tanzania, said that the Tanzanian people express deep condolences on the death of the great leader President Kim Il-song and that his death is a big loss to the Korean and Tanzanian peoples.

V.V. Zhirinovskiy, chairman of the Russian Liberal Democratic Party, said that the Korean people inherited the political tradition and maintain the stability of the country, although they lost their leader, which is an example for many countries of the world. Sushil Kumar Shinde, general secretary of the Indian National Congress Party (I), said:

"We, together with the Korean people, remember the great exploits performed by President Kim Il-song for the oppressed peoples of the world and for a new world freed from evils."

Kwon Sun-hui, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), had this to say:

The great Generalissimo Kim Il-song peerless in the history of our nation is immediately respected general Kim Chong-il, and the general is immediately the fatherly leader.

He expressed the resolution to fight for the reunification of the country and for the accomplishment of the revolutionary cause of chuche, remaining loyal to the guidance of General Kim Chong-il.

Many political and public figures from all parts of the five continents continue arriving in Pyongyang, bringing with them the most beautiful and precious flowers, representing the desire of humankind to uphold President Kim Il-song in the fragrance of flowers forever.

Nearly 21,000 foreigners and overseas Koreans have visited the statue of President Kim Il-song on Mansu Hill in the last one hundred days from July 9.

'150 Million' People Visit

SK1810052094 Pyongyang KCNA in English 0507 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—The last one hundred days after the death of the great leader President Kim Il-song were a period of deep mourning during which the whole nation and humankind had experienced the bitterest pain at the loss and Korea had demonstrated its might of singlehearted unity to the whole world.

In this period, a total of 150 million people of all strata and People's Army soldiers had visited the statues of President Kim Il-song in the capital city of Pyongyang and in all parts of the country to express deepest condolences.

Streams of the people have steadily flowed toward President Kim Il-song's statues every day—in mornings, evenings and even in midnights.

A total of 22.5 million people called at the statue of the great leader on Mansu Hill in Pyongyang to honor his memory.

In this period, the Korean people demonstrated the noble traits of the people who have a strong sense of loyalty to the leader and who are united with the leader in one ideology.

South Korean people and overseas Koreans solemnly honored the memory of President Kim Il-song, unable to repress their sorrow at the loss of the great father of the nation.

The Central Committee of the South Korean National Democratic Front and its affiliated organisations, organisations of the followers of the chuche idea, workers, peasants, students, intellectuals, religionists, dissidents and other South Korean people held memorial services to pay their last respects to President Kim Il-song. And they also sent many funeral streamers with words "The South also wails over the death of President Kim Il-song," etc. to the bier of President Kim Il-song.

The South Korean Federation of General Student Councils (Hanchongnyon) dispatched its delegate to Pyongyang to participate in the memorial service on the one hundredth day after the death of President Kim Il-song and colorful memorial services were grandly held in Seoul and other parts of South Korea on this occasion.

In the one hundred days, more than 5,600 people of over 340 delegations of overseas Koreans including delegations of the General Association of Korean Residents in Japan (Chongnyon) visited the homeland to express their condolences before the bier and statues of President Kim Il-song, while a large number of Koreans overseas made mourning visits at Korean embassies, missions and consulates in relevant countries and conducted various forms of funeral functions.

The death of President Kim Il-song was a sorrow for the whole humankind.

On the death of President Kim Il-song, more than 4,000 messages of condolence and wreaths came from heads of state and government, party leaders, public organisations, groups for the study of the chuche idea, organizations for friendship and solidarity with the Korean people and prominent figures in 160 odd countries and memorial meetings, services and other functions took place in more than 160 countries.

Over 15,600 foreigners of 960 odd delegations climbed Mansu Hill in Pyongyang to pay silent tribute to his memory.

The last one hundred days were a period in which the rock-firm faith of the Korean people to hold dear Comrade Kim Chong-il in high esteem as the great leader of the revolutionary cause of chuche has been demonstrated to the whole world.

Comrade Kim Chong-il received a good many letters from organs, industrial establishments, cooperative farms, units and subunits of the Korean People's Army and people of all strata, expressing their pledge of loyalty to his guidance.

New innovations have been effected in all domains and units of socialist economic construction, with the result that the industrial output in the last one hundred days is 60 percent higher on an daily average than the previous corresponding period.

The great achievements made in the production of major industrial goods include a 6 percent gain in hydraulic power production and a 30 percent gain in coal and cement output.

Indeed, in the last one hundred days during which deep impressions indelible in centuries have been left in the homeland of chuche and on this planet, the strong faith that the great leader President Kim Il-song will be immortal has settled down in the hearts of the people and the august name of Comrade Kim Chong-il has shined more brilliantly all over the world.

People, Soldiers, Lay Wreaths

SK1710052494 Pyongyang KCNA in English 0502 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Working people, People's Army soldiers, students and school children, overseas Koreans and foreign guests laid wreaths and bouquets before statues of the great leader President Kim Il-song on October 16 on the occasion of the hundredth day after he passed away.

Present at the wreath-laying in the provinces, cities and counties were leading officials of local party and power bodies, administrative and economic organs and working people's organisations, generals and soldiers of the Korean People's Army and the Korean People's Security Forces, public security men, workers, peasants, intellectuals, students and school children.

After the national anthem was played, wreaths were laid before the statues of President Kim Il-song in the name of the local party and power bodies, administrative and economic organs, working people's organisations, units of the Korean People's Army and the Korean people's security forces, public security organs, scientific, educational, cultural and art institutions, health care and press organs and indusorial establishments and cooperative farms while the dirge sounded.

The working people of all strata, People's Army soldiers, students and school children, overseas compatriots and foreign visitors presented wreaths, bouquets and flowers before the statues of President Kim Il-song.

The working people, People's Army soldiers and school youth and children made oaths to change their sorrow into strength and courage and bring what the great leader intended in his lifetime into reality on this land, closely united around the dear leader Comrade Kim Chong-il.

Youth, Students Hold Service

SK1710053694 Pyongyang KCNA in English 0512 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—A memorial service of youths and students was held before the statue of the great leader President Kim Il-song on Mansu Hill on Sunday on the one hundredth day after his passing away.

Those present laid a wreath before the statue of President Kim Il-song in joint name of the youth and students in the North, the South and overseas and honored his memory with a silent tribute.

Choe Yong-hae, chairman of the Central Committee of the League of Socialist Working Youth of Korea, addressed the memorial service on behalf of the 8 million youth and children in the northern half of the country.

He said the death of the fatherly leader Generalissimo Kim Il- song is a loss of the closest and greatest man for all the Korean young people in the North, the South and overseas, a loss which is so great that no word is adequate to describe.

The youth and students, he declared, will hold in high esteem respected general Kim Chong-il with loyalty more intense than that shown to the fatherly leader and remain faithful to the leadership of the general.

Choe Chong-nam, delegate of the South Korean Federation of General Student Councils (Hanchongnyon), spoke on behalf of the one million students under the organisation.

He said President Kim Il-song regarded national reunification as his lifelong task and made every effort to fulfil it till the last moments of his life.

"Though the South Korean authorities are fomenting inter-Korean confrontation and madly cracking down on the forces of the national democratic movement, the one million students in the South will advance more vigorously for the reunification of the country in close unity with the young men and women in the North and overseas", he declared.

Pak Min-su, a student of Korean University under the General Association of Korean Residents in Japan (Chongnyon), addressed the memorial service on behalf of the overseas Korean youth and students. "The Korean youth and students in Japan firmly pledge to respected general Kim Chong-il to take the lead in achieving national reunification in the 90s under the banner of the 10-point programme of the great unity of the whole nation, true to the behests of the great leader Generalissimo Kim Il-song on reunification," he said.

Overseas, South Koreans See Film on Kim Il-song

SK1710110594 Pyongyang KCNA in English 1007 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Koreans from the South and overseas staying in Pyongyang saw the documentary film "The Great Leader Comrade Kim Il-song is Immortal" on the hundredth day after the death of the respected leader President Kim Il-song on October 16.

Seeing the film were the mourning delegation of the Central Committee of the South Korean National Democratic Front (Hanminjon) headed by Nam Song-pil; Yi Chong-sang, chief of the Pyongyang mission of Hanminjon; Choe Chong-nam, delegate of the South Korean Federation of General Student Councils (Hanchongnyon) and co- director of the secretariat of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon); the delegation of the Koreans in Japan headed by Kwon Sun-hui, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon); and other overseas Koreans.

Cho Tae-song, secretary general of the International Taekwon-do Federation, and chairman of the Washington Federation for National Reunification, said after seeing the film: "We have lost the most affectionate father of the nation. The great President Kim Il-song was the sun lighting the path not only of the Korean people but also of the world people."

Saying that his pains at the loss of the fatherly leader were growing more acute as time flowed, he vowed to change the sorrow into strength and courage and do his utmost to glorify the immortal exploits of the great leader who was so deeply concerned about national reunification and conducted tireless activities for it in his lifetime and rouse all the overseas Koreans in the noble cause of reunification.

Kim Hwa-kyong, vice-chairman of the headquarters of Koreans in China of the National Alliance for the Country's Reunification, said the great leader Comrade Kim Il-song has not departed from us, and went on: "Though the fatherly leader passed away, we feel reassured and confident because dear General Kim Chong-il is standing at our head. The Koreans in China will devote their body and soul to the cause of socialist construction and independent and peaceful reunification of the homeland."

Pae Chin-ku, head of the home-visiting group of students of Korean University under Chongnyon, said he felt compunction at having failed to acclaim in a unified country the fatherly leader who was so anxious to hand over a reunified land to the posterity, saying the reunification of the country would be his biggest gift to our people.

"The 70 million Koreans will certainly accomplish the cause of national reunification, upholding the great General Kim Chong-il as the leader of the nation, as Generalissimo Kim Il-song, the father of the nation, wished in his lifetime," he declared.

Memorials Held for Kim Il-song in Provinces

SK1710110794 Pyongyang KCNA in English 1014 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Memorial services were held solemnly in the provinces, cities and counties on Sunday on the hundredth day after the death of the respected leader President Kim Il-song.

Those present honored the memory of President Kim Il-song with a silent tribute.

The speakers said one hundred days have elapsed since they paid last respects to the great leader of our party and our people Comrade Kim Il-song. The sudden death of the respected leader who led the revolution to victory, always finding himself among the people, was the bitterest misfortune in the history of the Korean nation and the greatest loss for the Korean party and people, they noted.

They said respected Comrade Kim Il-song was the great benefactor and lodestar of the nation, who restored the independence of the country and the dignity of the nation, brought the prosperity of the country and the happiness of the people and everything the Korean people had desired and dreamed for centuries.

They said it is the faith and pride cherished deep in their hearts that, led by the great leader Comrade Kim Chong-il who is unfailingly loyal to the idea and cause of Comrade Kim Il-song and is possessed of extraordinary and tested leadership ability and unbounded love and respect for the people, the revolutionary cause of chuche started by the respected leader Comrade Kim Il-song will be successfully accomplished.

The speakers said, in the period of one hundred days, the Korean people renewed their faith that it is the biggest fortune for them to have Comrade Kim Chong-il and, led by him, the Korean revolution will make a long drive, and vowed to carry into reality what the great leader Comrade Kim Il-song intended in his lifetime, holding in high esteem the dear leader Comrade Kim Chong-il at the head of our party, the state and the Army.

Memorial services were held solemnly on the same day at the units of the Korean People's Army and the Korean People's Security Forces.

The speakers said the death of the great leader Comrade Kim Il- song, a rare military strategist and ever-victorious iron-willed brilliant commander, is the bitterest sorrow in the history of the Korean nation and the history of chuche-based army building and the biggest loss for our party, people and Army.

They vowed to cherish the unshakable faith that, led by respected supreme commander Comrade Kim Chong-il, the socialist cause of chuche is sure to win, to entrust their destinies entirely to the supreme commander and reliably defend the socialist cause of chuche with arms.

Love of Kim Il-song for 'Peasants' Lauded

SK1410233494 Pyongyang KCNA in English 2206 GMT 14 Oct 94

["Great Leader President Kim Il-song Will Always Be With the Korean People; Deep Love for Peasants"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—The one hundredth day is drawing near after the great leader President Kim Il-song passed away so suddenly.

As days go by, the yearning of the people for the fatherly leader is growing more intense. Now many people are spending days and nights before his statues standing in Pyongyang and other areas of the country, deeply cherishing his memory.

They are shedding tears before his statues, recollecting the immortal feats and benevolence of the respected leader President Kim Il-song, who devoted his whole life to the country and the people. Among them is Kim Myong-yon, chairwoman of the Management Board of the Changchon Cooperative Farm, Sadong District, Pyongyang.

She, who was a girl farmer, has become a labor heroine and chairwoman of the Management Board of a big cooperative farm under the deep loving care of the great leader.

To rear her to be an able official of the agricultural domain, the president sat with her in a plain room of a farmer's house and told her how to raise good crops and, sometimes, explained the principles of the chuche method of farming to her, while walking a field path with her.

This love was not confined only to her.

Yim Kun-sang who was the chairman of the Management Board of the Okdo Cooperative Farm, Yonggang County, Nampho Municipality, grew to be a rural revolutionary and devoted his whole life to the cultivation of land under the deep trust and loving care of the fatherly leader.

The president met the peasant, who had been a hired hand of a landlord before the liberation of the country, on several occasions for nearly 20 years since the period of the fatherland liberation war and discussed farming with him. The president, always concerned about his health, sent efficacious medicines and noted doctors to him to cure his disease.

When he died in April, 1969, the president said an admirable rural revolutionary faithful to the party was gone and gave instructions to take a good care of his family.

The great leader visited the Saenal Cooperative Farm in Sinchon County, South Hwanghae Province, early in the morning one day in February, 1957, called on the house of an old woman of a bereaved family and paid close attention to her livelihood. And he called on the house of a newly-married couple and congratulated them on their happy marriage and then taught an official of the Management Board of the farm how to build the village better.

He visited the farm again one year later, praised the chairman of the Management Board for a lot of things he had done and shared a supper with him.

He placed a dish of noodle before him, saying "I know you are from a mountain village in Huchang. You must miss starch noodles sometimes. Help yourself to it."

In January, 1962, the president sent to him a root of wild insam (ginseng) and young antlers of deer for his health.

Indeed, immeasurable is the love of the fatherly leader for our peasants.

So, all the agricultural working people are determined to reap good crops every year, true to the behests of President Kim Il-song, telling about his great loving care down through generations.

People Vow To Accomplish Kim Il-song's Goals

SK1710111094 Pyongyang KCNA in English 1025 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—The Korean people met the one hundredth day after days and nights of bitter grief since they heard the sad news of the death of the great leader President Kim Il-song, which came like a bolt from the blue.

The last one hundred days were 2,400 hours of bitterest pains ever in the national history of 5,000 years and days of the creation of new traits of life.

With aching hearts, the men and women, old and young, including workers, farmers, intellectuals and People's Army soldiers, stood before the statues of the great leader on Mansu Hill and other places and before his portraits at their families and resolved to work and live a worthier life and, in evenings, reported to him all things of their daily life. This has become a rule.

The rail workers reported to President Kim Il-song before his statue that they had hauled nearly one million more tons of freight than the rated traction tonnage in the last 100 days by effecting a collective innovations to implement his behests.

When they received grapes sent by the dear leader Comrade Kim Chong-il with warm love, kindergarten children in the capital city went to the statue of Generalissimo Kim Il-song in front of the Pyongyang School Children's Palace and vowed to grow to be able workers propping up the socialist motherland.

Those who resolved to remain loyal to Comrade Kim Chong-il before the president's statue were cooperative farmers of the Chaeryong and Onchon plains who have reaped rich crops this year, more than 20,000 young men and women who have proceeded to major sectors of socialist construction, 1.67 million youths who volunteered to join or rejoin the People's Army and students who have got excellent marks. In August, the participants in the 5th pan-national rally resolved before the statue of President Kim Il-song to achieve the national reunification in the 1990s at any cost under the guidance of Comrade Kim Chong-il, the respected supreme commander.

In a little more than three months, twenty million people of all strata climbed the Mansu Hill and vowed in tears to carry forward to accomplishment the revolutionary cause of chuche through generations under the guidance of the dear leader, true to the behests of the great leader.

President Kim Il-song who always found himself among people, regarding "to believe in the people as in heaven" as his motto, is alive in the hearts of the people as an immortal father and teacher.

Kim Il-song Appreciation for Intellectuals Noted

SK1810110094 Pyongyang KCNA in English 1013 GMT 18 Oct 94

[FBIS Transcribed Text] Pyongyang, October 18 (KCNA)—A monument to the party foundation will be unveiled in Pyongyang on the 50th anniversary of the foundation of the Workers' Party of Korea [WPK] on October 10, 1995.

The monument symbolic of the historic course and invincibility of the WPK will depict a hammer, a sickle and a writing brush.

When he founded the party, the great leader President Kim Il-song with a scientific penetration into the position and role of the intellectuals in the revolution and construction, defined the intellectuals as the same motive force of the revolution and component of the party with the workers and peasants, and saw that the party emblem included a hammer, a sickle and a writing brush.

President Kim Il-song was a great leader who firmly believed in the intellectuals and trained them to be true revolutionaries.

After the liberation, he embraced and took warm care of the intellectuals who were unsteady of purpose and uncertain where to go and led them to devote themselves to the building of a new society.

One day in December 1946, the fatherly leader received Chong Chun-taek, who had worked as an ore dressing engineer at a mine before the liberation, and assigned him to the important post of director of the industrial department of the Provisional People's Committee of North Korea, saying earnestly: "Let us join hands and build a new democratic Korea."

When Chong died in the winter of 1973 while working as a vice- premier of the cabinet, the great leader felt pains in his heart at the loss of a faithful revolutionary comrade and personally pinned a medal of the hero of the Republic on his chest.

It was not until he was embraced in the bosom of the great leader that Kang Yong-chang, one of the old intellectuals, could bring his talent into full play and lead a worthy life.

In the spring of 1947, some bigoted officials insisted that Kang Yong-chang should not be trusted and be appointed a chief engineer for the reason that he had served at an electric company of Japanese imperialism before the liberation and he hailed from South Korea. But the president trusted him and appointed him chief engineer of the Songjin steel works (now the Songjin steel complex) and, later, assigned him to important posts of the party and the state.

President Kim Il-song provided the intellectuals with all conditions to give full play to their knowledge and technique and showed a deep loving care for them.

For Dr. Yi Song-ki's research into vinalon, the president met him several times, indicated the main direction and ways of the research, set up an institute and sent him experimental instruments and reagents so that he could continue his research even in the difficult period of war.

When the construction of the vinalon factory was completed in May 1961, the president attended the ceremony for the completion of the factory, congratulated him on his successful research, saying "today your desire has been satisfied, Mr. Yi" and filled a congratulatory cup for him.

In 1962, he met Kim Sang-yon, an agro-scientist who had obtained a new strain, and named it "Sang-yon strain."

The deep loving care of the fatherly leader for the intellectuals reached a schoolmistress of a primary school.

At the national meeting of active educational workers in April 1961, he praised her for her devotion to education of the rising generation from her girlhood. Later, he took care that the order of Kim Il-song and the title of labor heroine and the title of people's teacher were awarded to her.

Countless are stories about respected President Kim Il-song's trust in and loving care for the intellectuals.

That is why the intellectuals of Korea called him father and are devoting their wisdom and talent to the accomplishment of the socialist cause of chuche, true to his behests.

Kim Il-song Portraits Erected in Pyongyang

SK1710051394 Pyongyang KCNA in English 0457 GMT 17 Oct 94

[FBIS Transcribed Text] Pyongyang, October 17 (KCNA)—Portraits of the great leader President Kim Il-song with a broad smile on his face were set up in Pyongyang, provincial seats, cities and counties across the country on the hundredth day after he passed away.

A huge portrait of President Kim Il-song smiling all over 11 metres high and 15 metres wide framed with magnolia, the national flower of the Democratic People's Republic of Korea, was set up on in the mid-slope of Changdae Hill opposite the Pyongyang Department Store No. 1. beneath it there are the words "The great leader Comrade Kim Il-song will always be with us".

The portrait set up at the Munsu crossroads in Pyongyang is 9.12 metres in height and 6.45 metres in width. The portrait of the great leader is above the words "The respected father Comrade Kim Il-song will always live in the hearts of the people", beneath which there are blossoms of magnolia.

Portraits of the great leader with a broad smile on his face with the words "The great leader Comrade Kim Il-song will always be with us" beneath them have been put up in the main streets of Pyongsong, Hyesan, Chongjin, Sinuiju and other provincial seats, Hoeryong and other cities, seats of Onchon County, Maengsan County and other county seats of the country.

With the August portraits of President Kim Il-song set up in all parts of the country, the Korean people have come to cherish deeper in their hearts as the immortal great sun the image of the great leader who always found himself among the people, regarding it as his motto to "believe in the people as in heaven."

Postage Stamps Depicting Kim Il-song Issued

SK1510220094 Pyongyang KCNA in English 1516 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang, October 15 (KCNA)—The Ministry of Post and Telecommunications of the Democratic People's Republic of Korea recently issued postage stamps on the theme "The Great Leader Comrade Kim Il-song Will Always Be With Us."

The pictures of tender-hearted President Kim Il-song are printed on postage stamps contained in two souvenir sheets and four sheetlets.

The stamps impressively show that President Kim Il-song with a rare wisdom and outstanding leadership ability was the tender- hearted father of the people who recorded the whole course of his protracted revolutionary struggle with devoted services for the revolutionary cause and warm loving care for the people all his life.

The souvenir sheets carry a picture of the affectionate great leader cherished as the image of the sun in the hearts of the people and a picture of the great leader and the dear leader Comrade Kim Chong-il discussing work together.

Printed in the sheetlets are a picture of the great leader at the time when he embarked on the road of the anti-Japanese revolutionary struggle in his early years, indicated the chuche- based line of the Korean revolution and trained the communists of the new generation, a picture of the leader with Comrade Kim Chong- suk at the time when he located the headquarters in the secret base in Mt. Paektu area, a picture of the leader addressing the Pyongyang mass rally held to welcome him on triumphal return home, a picture of him addressing a military parade of the Korean People's Army, a picture of the leader energetically guiding the party, state and military affairs for the building a new country after the liberation, a picture of the leader making a radio address calling the entire people and the People's Army soldiers to the victory in the fatherland liberation war and pictures of the leader finding himself among soldiers and taking care of them with paternal affection, pictures of the leader giving on-the-spot guidance to the Chongjin steel works and the Onchon plain visited by a bumper crop at the time of the building of the foundation of socialism and pictures of the leader making energetic activities to lead the international communist movement and the world revolution to a brilliant victory.

Rice Harvesting 'Finished' in Countryside

SK1410153894 Pyongyang KCNA in English 1500 GMT 14 Oct 94

[FBIS Transcribed Text] Pyongyang, October 14 (KCNA)—Rice harvesting has been finished in the Korean countryside.

All the cooperative farms have directed all efforts to bringing in rich crops in time.

Rice was harvested from a daily average of 9,000 hectares of paddy fields in South Hwanghae Province by concentrating workforce and farm machines on harvest.

Counties of South Pyongan Province, Nampo municipality and North Hamgyong Province worked out a daily harvesting plan for each field and surpassed it 30 percent.

Increase in Silk Production Reported

SK1510215994 Pyongyang KCNA in English 1510 GMT 15 Oct 94

[FBIS Transcribed Text] Pyongyang, October 15 (KCNA)—The Korean silk group has registered a sustained upsurge in production.

The group has topped its monthly quotas from the first month of the year. In the first ten odd days of this month, its gross industrial output value jumped 30 percent and the silk yarn output 50 percent and the silk textile output 70 percent above the comparable period of the previous month.

The Pyongyang silk mill has surpassed the daily plans 60 percent from the beginning of the month by keeping the equipment in full capacity operation.

The Pa[illegible]non and Palwon silk textile mills have nearly doubled the daily silk textile output in this month as against the corresponding time of last month by actively introducing new technical innovation proposals.

The Songchon silk mill and the Anju silk textile mill are maintaining a high level in production.

South Korea

U.S., North Resume Working-Level Talks 17 Oct

SK1710120394 Seoul YONHAP in English 1156 GMT 17 Oct 94

[FBIS Transcribed Text] Geneva, Oct. 17 (YONHAP)—The United States and North Korea resumed their working-level delegates talks at the U.S. mission here in Geneva at 10:30 AM Monday local time.

The talks are to resolve the issue of whether to include a clause on resumption of inter-Korean dialogue in an agreement to be adopted by the U.S.-North Korea high-level talks on the North Korean nuclear question.

On Sunday the two sides held an unofficial chief delegates' contact at the North Korean mission. A source said the contact, however, failed to agree on a comprehensive agreement on the nuclear question.

The second meeting of the third-round high-level talks, begun on last Sept. 23, agreed on almost all technical matters related to the North Korean nuclear question apparently with the sole exception of the question of whether to include the requirement to resume inter-Korean talks in an agreement to be signed.

U.S. Conditions for DPRK Ties

SK1810111294 Seoul YONHAP in English 1102 GMT 18 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—The United States agreed with North Korea in the recent Geneva nuclear talks that if and when non-nuclear North Korean issues like those on missile exports, human rights and chemical weaponry were resolved, the two countries would establish ambassadorial relations later, a government source said Tuesday.

The source said Washington agreed to include in a basic agreement a clause saying in substance that when the nuclear question is resolved and matters of mutual concern settled, diplomatic relations may be established.

The "matters of mutual concern" here refer to the issues the United States had persistently raised such as the prohibition of the exports of missiles, improvement of human rights conditions and a ban on the exports of mass destructive weapons like chemical ones, the source said.

Another clause of the agreement stipulates that around the time a contract is concluded between Washington and Pyongyang on the supply of light-water reactors, North Korea would return to the Nuclear Nonproliferation Treaty (NPT) while the United States would assure North Korea that it won't be the first to use nuclear weapons against North Korea, the source added.

Inter-Korean Dialogue Clause Noted

SK1710234994 Seoul KBS-1 Radio Network in Korean 2310 GMT 18 Oct 94

[FBIS Translated Text] With the announcement of the result of the North Korean-U.S. talks imminent, the government is busy making preparations.

Yi Won-chu reports from the Foreign Ministry:

[Yi] A Foreign Ministry official revealed that a clause on resumption of inter-Korean dialogue is included in an agreement to be adopted soon at the U.S.-North Korean high-level talks, as intended by the ROK. However, he declined to go into further detail.

It was learned that Chang Chae-yong, director of the North America Division of the Foreign Ministry, made an emergency call to the Foreign Ministry from Geneva around 0730 A.M. on 18 October local time [2230 GMT on 17 October] to report this.

Accordingly, the Foreign Ministry is now busy making preparations. Particularly, it was learned that Foreign Minister Han Sung-chu will reportedly hold a news conference this morning on this matter, after having a meeting with relevant officials.

'Framework' Agreement Reached

SK1810000394 Seoul YONHAP in English 2358 GMT 17 Oct 94

[FBIS Transcribed Text] Geneva, Oct. 18 (YONHAP)—The United States and North Korea have reached a framework agreement resolving the row over Pyongyang's nuclear program, U.S. chief delegate Robert Gallucci said at midnight Monday (Geneva time).

Gallucci told a news conference that the agreement will take effect immediately after it is signed by both sides. He called the accord "broadly acceptable and positive," saying he will return to Washington on Tuesday and submit it to his home government and Congress for their approval. He plans to sign the agreed document, whose contents he did not reveal, in Geneva after getting Washington's endorsement.

Contents of Agreement Reviewed

SK1810025494 Seoul YONHAP in English 0249 GMT 18 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—The United States and North Korea reached agreement Tuesday [18 October] on Pyongyang's nuclear program, putting an end to 18 months of acrimony prompted by the communist country's decision to withdraw from the Nuclear Nonproliferation Treaty (NPT) in March last year.

The framework agreement, hammered out at high-level talks in Geneva, will be made public jointly on Friday in both nations' capitals after endorsement by their home governments.

Details of the accord have yet to be revealed, but informed diplomatic sources say the highlight is the North's full implementation of its nuclear safeguards obligations.

The sources explained that under the agreement, Pyongyang must meet its obligations as judged by the International Atomic Energy Agency (IAEA) before the core equipment for a light-water nuclear reactor is supplied.

It does not, however, elucidate the term "special inspections," on whose inclusion the Seoul government had insisted before the provision of the light-water reactor.

Therefore, it appears the inspections will be delayed far after the start of reactor construction as the core parts will arrive in North Korea five to six years from now.

The two sides also agreed on resuming inter-Korean dialogue and implementing the joint declaration on denuclearization of the Korean peninsula to ultimately resolve the nuclear issue.

They reportedly decided to establish liaison offices in each other's capital when overall technical matters are settled at experts' meetings, while Washington will lift some trade and investment restrictions on Pyongyang.

As to the light-water nuclear reactor, Washington will provide Pyongyang with units with a combined capacity of 2,000 megawatts by organizing an international consortium for its financing.

Although the new model was not described as South-Korean made, they in essence decided to adopt the South Korean model by using the expression "about 2,000-megawatt level"—the same type as South Korea's No. 3 and 4 units in Ulchin, North Kyongsang Province.

Washington will also supply alternative energy in the form of oil in return for North Korea's freezing construction of two graphite- moderated nuclear reactors with capacities of 50 megawatts and 200 megawatts.

During the light-water construction period, North Korea will keep spent fuel rods in safe storage and move them to third countries later without reprocessing them.

Pyongyang was said to have agreed to a complete return to the NPT system as well as IAEA ad hoc and routine inspections, and will refrain from reloading its 5-megawatt reactor and permit later dismantlement.

South's 'Final Objective' Viewed

SK1810031094 Seoul YONHAP in English 0302 GMT 18 Oct 94

[Article by Yi Tong-min]

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—The North Korea-U.S. nuclear agreement Tuesday fulfilled Seoul's and Washington's final objective while leaving open the way to reaching that objective.

The South Korean Government willingly embraced the accord as a success. "The important question is whether we succeeded in stopping North Korea's nuclear program, in removing North Korea's nuclear threat," Foreign Minister Han Sung-chu said at a press conference after the nuclear agreement was reached in Geneva.

"I say we certainly succeeded," he said.

The merits as enumerated by Han are that North Korea assured the United States that it will freeze its nuclear program and that the atmosphere for peaceful dialogue has been kept alive.

Although not coming out and saying it in so many words, North Korea committed to resuming dialogue with South Korea while Seoul gets to play a central role in providing light-water reactors to Pyongyang.

The agreement is the result of Washington's conviction that dialogue is the only viable option in trying to untangle the North Korean nuclear mess.

Washington seized on the flexibility shown by North Korea, which coincided with its internal need for a political achievement before the transfer of power to Kim Chong-il, and put the situation on a positive track instead of insisting on details that would have stifled the dialogue.

Officials are quick to remind that this is the first time North Korea has said it will accept special inspections, which in itself is cause to give thanks.

The momentum for UN sanctions that gathered speed last summer is dead, and to break with North Korea now would simply constitute a loss of face for Washington.

But Seoul had desired more than an "understanding"—it wanted North Korea to promise in writing when it would accept special inspections, when it would resume talks with South Korea and that it would accept the South Korean model of light-water reactor.

Behind this South Korean behavior is a firm belief that North Korea is in political and economic crisis and thus more susceptible to compromise than Washington.

Despite such wishes, Seoul officials acknowledge that the atmosphere now is in favor of diplomatic dialogue. Having admitted that, they say a compromise with North Korea is the only option.

Prolonging the nuclear standoff would carry a diplomatic burden and put at risk Seoul's relations with its neighbors and traditional ally, the United States.

Ties with China and Russia could not but be unbalanced because Seoul would be on the begging side.

It's the same story with the United States. Seoul has no direct negotiating power with Pyongyang. A nuclear standoff with North Korea poses the risk of the previously close South Korea-U.S. coordination going awry.

There are safety valves to keep North Korea committed to the agreement.

Light-water reactor construction would start and progress, for instance, with South Korea providing nearly all of the hardware. But the key components that would put the reactors in operation, the software, will be held back until North Korea permits special inspections.

Although Pyongyang and Washington agreed to swap liaison offices, the United States can hold off on this, too, until after the North reopens talks with the South, the officials say.

The agreement is just another step on the road to solving the nuclear problem. It certainly narrows down the principles contained in the Aug. 12 North Korea-U.S. agreement to specific actions but leaves the timetable to further working-level negotiations.

South Korea, with the new agreement in hand, will have to revive past efforts to best reflect its stance on special inspections and inter-Korean dialogue.

Government, Organizations React to Agreement

Team Spirit Exercise Suspended

SK1810064594 Seoul CHUNGANG ILBO in Korean 18 Oct 94 p 1

[By reporter Chong Son-ku]

[FBIS Translated Text] It was learned that due to the agreement reached at the DPRK-U.S. Geneva talks on 18 October, the government has decided to suspend this year's Team Spirit exercise.

A high-ranking Defense Ministry official stated: "It is fortunate that the crisis has been overcome as a result of the agreement reached at the DPRK-U.S. talks. Therefore, this year's Team Spirit exercise will not be carried out."

Further on Team Spirit Decision

SK1810101894 Seoul YONHAP in English 1012 GMT 18 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—This year's Team Spirit military exercise may not be held as a result of the settlement of the U.S.-North Korea talks on the nuclear issue, a senior Defense Ministry official said on Tuesday.

Saying that the conclusion of the Geneva talks is believed to constitute a substantial progress in the North Korean nuclear question, the official recalled the Seoul-Washington policy decision to stage a Team Spirit exercise this year unless there is a progress in the nuclear issue.

He said the issue of whether to hold the '94 Team Spirit would be finally resolved during U.S. Defense Secretary William Perry's visit to Seoul on Oct. 20.

Yet, the policy of his government is to carry on joint Korea-U.S. military exercises steadily so long as there remains the joint Korea-U.S. defense system as agreed on at Korea-U.S. annual Security Consultative Meetings, the official added.

Accord 'Basis' for Peace, Stability

SK1810052494 Seoul YONHAP in English 0518 GMT 18 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—President Kim Yong-sam said Tuesday the U.S.-North Korean settlement of the nuclear issue in Geneva provides an important basis for peace and stability on the Korean peninsula.

Kim said North Korea's past, present and future nuclear transparency will be guaranteed if it freezes its nuclear activities and submits to inspections by the International Atomic Energy Agency (IAEA).

In a speech read by Prime Minister Yi Yong-tok in submitting the government budget bill for next year, the president said the accord will also provide momentum in bettering inter-Korean relations as Pyongyang agreed to implement the joint declaration on denuclearization of the Korean peninsula and to resume inter-Korean dialogue.

Turning to next year's local elections, Kim said they will be a test case for the country's political advancement.

"Regardless of whether it is the ruling or an opposition party, the government will not allow any illegal election campaigning," he emphasized.

To establish social discipline, Kim said, corrupt officials who have amassed properties illegally will be sternly punished. He pointed to confiscation of illegally acquired fortunes by public officials, expansion of officials' assets registration and reinforcement of administrative chiefs' responsibilities.

As for economic affairs, the president predicted this year's economic growth rate will be over 8 percent, saying the government will gradually improve the country's balance of international payments through the expedition of exports and the development of basic material industries.

"This year's consumer prices will be curbed at the level of 6 percent," he stressed.

Foreign Minister Welcomes Accord

SK1810015994 Seoul YONHAP in English 0153 GMT 18 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—The North Korean nuclear threat has been successfully thwarted and inter-Korean dialogue will soon resume, possibly sometime this year, South Korean Foreign Minister Han Sung-chu said Tuesday in welcoming the Pyongyang-Washington nuclear agreement.

North Korea promised to talk with South Korea and to accept the South Korean model of light-water reactor, he said at a press conference after the agreement was reached in Geneva.

Pyongyang's opposition to inter-Korean dialogue was the main stumbling block to the agreement, which caused a delay lasting days.

"The issue is made clear in the agreement," Han said. "North Korea accepted the agreement calculatively. Pyongyang knows it is in its interest to implement the terms of the pact. The circumstances, not just the wording of the agreement, will make North Korea adhere to the terms."

He noted that the agreement does not set a date for exchanging liaison office between Pyongyang and Washington.

"Progress in North Korea-U.S. relations will have to be made in harmony with advancement of inter-Korean dialogue," Han pointed out.

Asked if South-North dialogue would resume this year, he said it was "certainly possible."

The North Korea-U.S. accord, whose full text has yet to be announced, will be signed on Oct. 21 in Geneva.

"The agreement is not a treaty. It will not need to go through the legislative approval process," he said.

Seoul had at first opposed the agreement, partly because of the lack of specificity about special inspections of the North's nuclear facilities.

But Pyongyang and Washington settled the matter by agreeing that the North will accept special inspections before the core parts of the light-water technology are delivered.

"There may be different interpretations about what these 'core parts' are. But objective standards exist on that," he said.

"It's hard to get 100 percent of what we wanted from the very beginning," the foreign minister said. "The important thing is whether we have succeeded in halting North Korea's nuclear program, in removing North Korea's nuclear threat."

"I think we certainly succeeded," he said.

Han's Statement Detailed

SK1810022394 Seoul KBS-1 Television Network in Korean 0100 GMT 18 Oct 94

[Statement by ROK Foreign Minister Han Sung-chu at a news conference in the Foreign Ministry—live]

[FBIS Translated Text] The U.S.-DPRK negotiations in Geneva reached agreement [tagyol toeossumnida] late in the evening of 17 October, Geneva time. The document of the agreement will be signed in Geneva on 21 October by the negotiation delegates.

Regarding the settlement of current nuclear negotiations, I would like to speak on the significance of the U.S.-DPRK agreement and on our government's position toward the result of the negotiations.

The government assesses that the current agreement provided an important basis for a fundamental solution to the North Korean nuclear problem and for maintaining security and peace on the Korean peninsula.

As a result of the current negotiations, North Korea agreed to a complete return to the Nuclear Nonproliferation Treaty [NPT], and accepted inspections of all its nuclear facilities by the International Atomic Energy Agency [IAEA] including special inspections. North Korea also promised [yaksok] to comprehensively freeze its present and future nuclear activities, and to abolish [haechehagiro] the existing nuclear facilities ultimately [kungguk choguro]. In the event that North Korea freezes nuclear activities and accepts inspection of all nuclear facilities by the IAEA, nuclear transparency for the past, present, and future can be insured.

North Korea also agreed to implement the joint declaration on the denuclearization of the Korean peninsula and to resume North-South dialogue.

I believe that this will work as the occasion of realizing the denuclearization of the Korean peninsula, and of making progress in North-South relations by putting the

North-South agreement into practice. In particular, we will play a central role in the work of supporting light-water reactors for North Korea. Based on this, an occasion for advancing North-South reconciliation and cooperation has now been provided.

The current agreement between the United States and North Korea has been achieved on the strength of the joint efforts by the two countries of the ROK and the United States and the active support and cooperation by the countries concerned, including Japan, China, Russia, and the international community, including the international organizations such as the United Nations and the IAEA, according to the basic position of solving the nuclear issue through dialogue.

In particular, throughout the entire course of the negotiations, the two countries of the ROK and the United States have maintained a close mutual cooperation system and have adhered to goals and principles based on their basic position for a thorough and broad [cholchohago kwangbomwihan] solution of the nuclear issue. The two countries will continue close cooperations in leading North Korea to thoroughly implement the current agreement.

The government will continue, in the future, to make all possible efforts in cooperation with the international community to block North Korea's nuclear development at its source and to completely remove nuclear suspicions, with the implementation of the current agreement. At the same time, the government will make all possible efforts to ensure that there are no weak points [hochom] in our security system.

Now that the North Korean nuclear issue, which was a big burden in our diplomacy and in relations between North and South Korea, is at a turning point, our government will, in future, conduct more active diplomatic activities and more active efforts for reunification in the ever-changing international circumstances. Thank you.

Han's Question, Answer Session

SK1810045394 Seoul KBS-1 Television Network in Korean 0105 GMT 18 Oct 94

[Question and answer session between ROK Foreign Minister Han Sung-chu and reporters at the Foreign Ministry in Seoul—live]

[FBIS Translated Text] [A reporter's summary of the foreign minister's opening statement drowns out the first question of this question and answer session and the first part of the foreign minister's answer]

[Han Sung-chu] North Korea has refused to allow special inspections, claiming that [phrase indistinct] and that the International Atomic Energy Agency is unfair. However, North Korea has now decided, somewhat belatedly, to allow special inspections. The United States and the ROK, along with the international community, will make every preparation to keep North Korea from developing nuclear weapons and will take due measures [ungbunui taecho] for possible attempts by North Korea to develop them, until inspections are conducted.

[Unidentified reporter] When the agreement is reached, it requires provisional and formal signatures. What formalities will the U.S. and North Korean sides go through for this in their own countries?

[Han] Today the United States and North Korea reached an agreement, which has yet to be signed. They will go through the formal procedures of obtaining approval from their respective governments. Since the U.S. side has constantly held consultations not only with its own government but with our government during the negotiations with North Korea, I think the formal procedures will go according to schedule.

[Unidentified reporter] Is the United States supposed to go through Congressional formalities for the agreement?

[Han] This is not a treaty or agreement which requires prior or retroactive approval from Congress.

[Unidentified reporter] North Korea showed an uncooperative attitude toward South-North dialogue until the last moment. What is the government's future measure for this?

[Han] North Korea has clearly agreed to South-North dialogue. Because South-North dialogue is related not only to the agreement itself but to overall conditions and circumstances, I think the conditions for South-North dialogue will be created once the agreement comes into effect. In particular, since South-North dialogue is specified clearly in the agreement, I can say that it has quite a good prospect.

[Unidentified reporter] Is the adoption of ROK-type light-water reactors guaranteed firmly?

[Han] Regarding the ROK-standard type [hanguk pyojunhyong] light-water reactor, the agreement includes various specific safety measures and items that indicate that only the ROK-type light-water reactor can be adopted.

[KBS reporter Yi Yon-su] Although the Geneva talks have reached an agreement, some people still view this negatively. What steps will you take to address this?

[Han] Because of the inherent nature of the negotiations, it is difficult for us to expect to completely achieve our openly-declared goals by 100 percent. However, what is most important here is: First, have we succeeded in blocking North Korea's nuclear development? Have we succeeded in removing North Korea's nuclear threat? I think we have succeeded in these aspects. Another thing is whether we have succeeded in opening the road for South-North relations. In this aspect, too, I think we have succeeded. That is to say, I think we have removed the greatest obstacles lying in the way of carrying out the future's exchange and cooperation, and dialogue between the North and the South. Now that a new turning point has been provided in the nuclear issue—which has been a stumbling block not only in North-South relations, but also in our diplomacy and quadrilateral diplomacy in particular, I think that we now have the opportunity and circumstances under which we will be able to carry out not only more positive and vigorous quadrilateral diplomacy, but also overall international diplomacy.

[Unidentified reporter] When do you think the [South-North] Joint Nuclear Control Committee meeting will take place?

[Han] For now, I cannot predict when the committee meeting will be held. The Joint Nuclear Control Committee meeting, however, will be held because North Korea has promised to implement the joint declaration for denuclearization of the Korean peninsula.

[Unidentified reporter] The ROK and the United States have adhered to the stance that South-North dialogue and the establishment of liaison offices [between the United States and North Korea] should be simultaneously pushed ahead although the former is not a precondition for the latter. However, the current agreement fails to mention these two issues. Tell us about how our government will implement the existing stance reached between the ROK and the United States.

[Han] The current agreement does not specify the timing of exchange of liaison offices between the United States and North Korea. The current agreement states that the exchange of liaison offices between the United States and North Korea is possible only after various circumstances have been created and various problems have been solved. This means that various conditions and circumstances need to be created for this issue. Therefore, I think South-North dialogue and progress in U.S.-North Korean relations will be carried out in conjunction with one another.

[Unidentified reporter] Do you mean that if there is no progress in South-North dialogue, the establishment of liaison offices between the United States and North Korea will be delayed?

[Han] The current agreement includes various, comprehensive issues. Therefore, there are various problems in addition to the two issues that you are raising. At this point, let me stress again that progress in U.S.-North Korean relations should be in harmony with progress in South-North dialogue and South-North relations. In my opinion, this will be the case.

[Unidentified reporter] You've mentioned the positive points regarding the North Korea-U.S. agreement. Could you talk about the negative points regarding it?

[Han] As mentioned earlier, we were unable to completely meet all the demands we had originally set and made public, but it was our position that we could not merely talk about what we needed in the course of negotiations. In this respect, I can say that we have gained all what we wanted and needed.

[Unidentified reporter] You did not talk in detail about alternative sources energy yet. Could you tell us to what extent we will be participating in the work of supplying the alternative energy source? Also, please elaborate on the method of participation by the ROK.

[Han] I believe we need more discussions regarding the alternative energy issue. At this stage, the issue of the ROK participation in the work of supplying the alternative energy source has not yet been raised.

[Unidentified reporter] We heard that in the event of special inspection, core spare parts [haeksim pupum] related to the light- water reactor should be [word indistinct]. There are many [word indistinct] regarding the core spare parts. Is there any agreement between the United States and North Korea regarding it?

[Han] As we have consistently maintained, provision of technology for building the light-water reactor is something that should be restricted [kyuje] legally or systematically. North Korea cannot receive any support—either in view of domestic laws of each country or of the agreement with the International Atomic Energy Agency—unless it clarifies its past nuclear activities. Therefore, it is very clear that [word indistinct] are included in the standards, because spare parts are needed at the nuclear power plant and light-water reactor in the stage directly following basic preparations.

[Unidentified reporter] Is there any objection to the term "core spare parts?"

[Han] There may be some objection, but, I believe that this will not be a big problem, because there are objective standards [kaekkwanjoin kijun].

[Unidentified reporter] Regarding the support for building the light-water reactor, we heard that President Clinton separately sent a [phrase indistinct].

[Han] There has been nothing like that to date. I believe we need more discussions regarding mutual guarantees between the two sides in the future.

[Unidentified reporter] A specific date of agreement or method of implementation are not likely to be included in the agreement. Will it be possible to sign another agreement?

[Han] As you know, the contents of the agreement were not disclosed today. The details I explained are from the outlines of the agreement. More details will be announced after 21 October.

[Unidentified reporter] Meetings between working-level officials will be held in various fields. Regarding this, [phrase indistinct]

[Han] I don't believe that such a meeting has been scheduled yet, but, as mentioned earlier, I think that negotiations between working-level officials will be held in the very near future in order to discuss the issue of alternative energy and the issue of North Korea's processing of the spent fuel rods.

Unidentified reporter] What future measures will the government take? So far, our diplomacy has focused on deciding principles and goals in connection with the North Korean nuclear issue. I think now we must now focus on the practical arena. What is the government's measure for this?

[Han] We have to prepare measures and preparations to take the central role in providing support for North Korea's switch to a light-water reactor system. We also have to make full-pledged preparations and measures for South-North relations, that is, South- North cooperation and exchanges.

In addition, I believe, that with this occasion as a turning point, we can give full play to our diplomatic capability, which we were unable to fully display because of the nuclear issue, and can carry out diplomatic activities more actively and positively, playing a leading role, not only with the four strong countries but with the whole world.

[Unidentified reporter] Reports say that support for North Korea's switch to a light-water reactor system will be provided in 2003. If it is true, [words indistinct]?

[Han] All that is indicated in the agreement is linked with North Korea's implementation of its duties. Therefore, the agreement not only includes our commitments, but also includes many things that North Korea must implement. I can say that the time indicated in the agreement reflects our position considerably.

[Unidentified reporter] Do you think it is possible to resume South-North dialogue before the end of this year?

[Han] I think there is plenty of possibility for that.

[Unidentified reporter] Even if North Korea does not implement the agreement reached at the Geneva talks with the United States, there is no legal measure to control this. What is your opinion on this?

[Han] North Korea agreed to the measures because it finds them favorable to itself. The agreement cannot be realized unless North Korea implements its duties. Thus, I think, North Korea will implement its duties under the agreement not because the agreement forces it to do so, but because it has calculated the benefits and losses.

[Unidentified reporter] It has been said that the transparency of North Korea's past nuclear activities should be guaranteed before the arrival of core facilities. When does our government think the core facilities will arrive in North Korea?

[Han] Neither our government, nor anyone can decisively say when they will arrive. It is true that it will take place a year to three years later than we expected and desired, but because we have the devices to prevent North Korea from developing nuclear weapons or diverting its nuclear materials for other purposes, I can say that there is little to be concerned about regarding the time discrepancy.

Thank you.

Han Interviewed on Agreement

SK1810130294 Seoul KBS-1 Television Network in Korean 1212 GMT 18 Oct 94

[Interview with ROK Foreign Minister Han Sung-chu by anchorman Yi Yun-song on 18 October; place not given—recorded]

[FBIS Translated Text] [Yi] What are our gains and losses? Is North Korea's sincerity of implementing the agreement guaranteed? We have invited Foreign Minister Han Sung-chu. Mr. Minister.

[Hang] How are you?

[Yi] What are the gains for us from the result of the negotiation? Please elaborate on this.

[Han] There are three major gains. First, the North Korean nuclear threat is completely dispelled by the freezing of its nuclear development. Second, concerning North-South relations, the agreement stipulates the resumption of North-South dialogue. The implementation of the joint declaration on the denuclearization of the Korean peninsula was mentioned. North-South dialogue, exchanges, and cooperation are possible now.

[Yi] On the contrary, what have we lost? Some people think we only pay for the money and have no role.

[Han] Regarding the cost, it will be a long time before we actually begin to pay for the cost. By that time, we would have confirmed if North Korea implemented its obligations. We have not achieved our original goals 100 percent. However, we have achieved the musts, and the aforementioned gains are very important.

[Yi] What happens if North Korea does not sincerely implement the agreement with absurd excuses at each step of the implementation? I think this is what people are concerned about. Do we have any post-measures?

[Han] When we have such an agreement, not a treaty or a pact, and even if this were a treaty, we cannot totally depend on the other side's sincerity or good intentions. If the agreement is not implemented, the United States, the ROK, and international community will take strong measures.

[Yi] Thank you for the interview.
[Han] Thank you.

Ministry Spokesman Chang Comments

SK1810050394 Seoul YONHAP in English 0458 GMT 18 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—The government Tuesday welcomed the reported nuclear agreement between North Korea and the United States.

Foreign Ministry spokesman Chang ki-ho said in a statement that the agreement will serve as a basis for thorough resolution of the North Korean nuclear dispute and for stability and peace on the Korean peninsula.

"The North Korean-U.S. agreement is the result of joint efforts that South Korea and the United States have made for the basic purpose of solving the nuclear problem through dialogue, as well as of the active support by and consultation with the international community including the United Nations," Chang said.

He added, "We urge North Korea to faithfully implement the agreement to clear up international suspicion over its nuclear development and take active and positive measures to realize rapid progress in inter-Korean relations."

He said that South Korea and the United States have maintained close cooperation throughout the entire Pyongyang-Washington negotiations to achieve a basic and thorough solution to the nuclear problem.

"The two nations will continue to cooperate closely with each other to see to it that North Korea faithfully implements the agreement," he said.

Ministerial Meeting Views Accord

SK1810055794 Seoul YONHAP in English 0551 GMT 18 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—The government, having decided to accept the U.S.-North Korean accord in Geneva as a prelude to resolving the nuclear issue and improving inter-Korean relations, has begun working out steps aimed at resuming South-North Korean dialogue and economic cooperation.

As Pyongyang has agreed to implement the joint declaration on a nuclear-free Korean peninsula and resume inter-Korean dialogue, the government may propose the reopening of the South-North Joint Nuclear Control Commission, suspended in January last year.

But Seoul will be cautious about taking the initiative for an inter-Korean summit, while closely watching further developments including Kim Chong-il's formal succession to power, according to official sources.

The government reviewed its post-Geneva policy toward North at a unification-related cabinet session Tuesday morning, presided over by Vice Premier and Unification Minister Yi Hong-ku. In attendance were 12 related ministers including the home, foreign and defense ministers, the Agency for National Security Planning director, the chief presidential secretary, and the Democratic and Peaceful Unification Council secretary-general.

The participants reportedly agreed to review the government's "nuclear-priority North Korea policy" now that resolution of the nuclear row is in sight with the Geneva nuclear talks concluded.

A government official hinted at a revision of the "nuclear- priority North Korea policy," saying that the nuclear problem will have to be dealt with "in the framework of inter-Korean relations."

Revealing that the United States will "partially ease" trade and investment restrictions against North Korea, the official said, "even for our assistance to the North involving light-water reactor technology, inter-Korean economic cooperation is unavoidable. Accordingly, South-North economic cooperation will be permitted beginning with basic efforts."

National Unification Board spokesman Kim Kyong-ung, however, said that "no resumption of inter-Korean economic cooperation was taken up at Tuesday's meeting," indicating that economic cooperation measures will be announced after the Geneva agreement is approved by the home governments.

Foreign Ministry spokesman Chang Ki-ho earlier Tuesday proclaimed the administration's intention to accept the Geneva accord: "The Geneva talks have provided a basis for a fundamental resolution of the North Korean nuclear issue and for promoting security and peace on the Korean peninsula."

Chang urged the North "to completely dispel nuclear suspicions by faithfully enforcing the agreement and to take positive and sincere steps so that epoch-making progress may be achieved in inter-Korean relations."

Survey: Majority Oppose Accord

SK1810010794 Seoul THE KOREA TIMES in English 18 Oct 94 p 2

[FBIS Transcribed Text] Amid reports that Pyongyang and Washington are coming close to an accord on the nuclear issue, a survey showed yesterday that most Seoulites do not want the government to accept the outcome of their talks in Geneva if it allows North Korea to delay acceptance of special inspections.

According to the survey, conducted by the Seoul Research Center for from Oct. 14-16 on 1,000 adults residing in Seoul, 83.5 percent of them said that the government should not accept the outcome if it, against the wishes of South Korea, allows the North to delay measures clarifying suspicions about its nuclear past.

When asked if Seoul should bear financial burden reaching $4 billion for a project to provide North Korea with light-water reactors even in the absence of its past nuclear transparency, 85.3 percent answered, "No" while only 2.5 percent replied yes.

The poll showed that there could be serious public resistance if the government unilaterally accepts the agreement of the Geneva talks as 86.7 percent answered the issue should be referred to a referendum.

Over 800 pollees attributed insufficient cooperation between Washington and Seoul on North Korean policy to disarray in the government diplomatic policy and absence of strategy.

About 70 percent answered negatively to the question as to whether the accord between the United States and North Korea would open South-North reconciliation, while 15.5 percent replied affirmatively.

Nearly 90 percent expressed strong skepticism about the ability of the Kim Yong-sam administration's security and diplomatic team by saying the team failed to reflect Seoul's position in the nuclear negotiations between Washington and Pyongyang.

According to the survey, 74.8 percent expressed opposition to the government plan to scrap the present policy of linking economic cooperation with North Korea to the nuclear issue.

To the U.S. stance to accept a three to five year delay in special inspections of North Korea's undeclared nuclear sites, 89.6 percent expressed strong dissatisfaction.

Ruling, Opposition Parties Comment

SK1810002794 Seoul THE KOREA HERALD in English 18 Oct 94 p 2

[FBIS Transcribed Text] The ruling and opposition parties virtually decided to accept the reported result of the Washington-Pyongyang nuclear talks in Geneva on halting the North Korea's suspected nuclear development plan.

The ruling Democratic Liberal Party (DLP) said yesterday that it would respond favorably to the agreement between the United States and North Korea, which is expected to be made public soon.

The main opposition Democratic Party (DP) also expressed positive evaluation of the expected agreement of the Geneva talks.

The political parties' action followed the government's announcement Friday that it is ready to accept the U.S.-North Korea accord.

The government is not fully satisfied with the contents of the nuclear agreement but said it would accept it if it does not deviate from the major principle of resolving the nuclear issue.

The draft agreement, according to news reports, calls for the implementation of special inspections of North Korea's undeclared nuclear facilities when work on a light-water reactor is 65 to 75 percent complete.

A DLP official said party leaders see the outcome of the Geneva talks as an inevitable choice for Washington and Pyongyang taking the current situation into account.

The DLP, the official said, plans to mobilize its lawmakers to publicize the inevitability of the government and its party to accept the outcome of the Geneva talks.

The contents of the nuclear agreement are rather far from the government and the DLP's earlier position that the special inspections be carried out before the construction of a light-water reactor starts.

In particular, some DLP lawmakers have vented their anger over the outcome of the nuclear talks, charging that the Seoul government has been completely denied any position in the nuclear discussions between Washington and Pyongyang.

Ranking government and DLP officials held a consultation meeting Sunday and reportedly discussed the government's measures to cope with possible situation change on the Korean Peninsula in the wake of the result of the nuclear talks.

The measures will be made public through the speeches of the prime minister and DLP representative before the National Assembly slated for today and tomorrow, respectively, a party official said.

In the meantime, the DP held a meeting of its Supreme Council, the party's top decision-making body, and evaluated the outcome of the Geneva talks as "the best alternative result."

Further on Parties' Reactions

SK1810075194 Seoul YONHAP in English 0742 GMT 18 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—As South Koreans learned of the dramatic conclusion to the U.S.-North Korea nuclear talks in Geneva, the country's political parties and organizations gave a generally positive response.

In a statement issued Tuesday, ruling Democratic Liberal Party (DLP) spokesman Pak Pom-chin said, "Despite some dissatisfaction with the settlement, the DLP evaluates that the basic objective of our government, which has been trying to peacefully resolve the war crisis on the Korean peninsula created by suspicions over the North Korean nuclear program, has been achieved."

Noting that diplomatic negotiations always involve another party and that both sides cannot attain all of their goals, Pak said South Koreans should accept the Geneva accord as coming to this outcome was difficult and resulted from close collaboration between Seoul and Washington.

Now that the North has pledged to return to the nuclear Non- proliferation Treaty (NPT) and fulfil the South-North declaration on denuclearization of the peninsula, he said Pyongyang should never again stir up suspicions by ensuring its nuclear transparency. The spokesman also called on the North to "act responsibly as a member of the international society."

The main opposition Democratic Party (DP) also released a statement addressing the resolution of the Geneva talks the same day.

The party said, "We welcome the breakthrough made between Pyongyang and Washington, eliminating the nuclear crisis and threat of war. As a result, we expect it will lead this confrontational and divided peninsula into being a peaceful, harmonious and unified one."

DP spokesman Pak Chi-won said in the statement that the opposition party rated highly the government's efforts to reopen Seoul-Pyongyang dialogue. He added, "The DP expects the North to make sincere efforts for national unification as well as the nuclear issue."

The New People's Party (NPP) also welcomed the breakthrough. A party spokesman stated, "through substantial diplomacy and negotiations, South Korea should take the initiative in solving the issues including the nuclear and unification problems.

And the national forum for unification, an underground body, had this to say: "We heartily welcome the U.S.-North Korea package settlement of current issues including the freeze on nuclear development." It added that the agreement will contribute to better South-North relations, national reconciliation and peace on the Korean peninsula.

Accord Timetable Speculated

SK1810061994 Seoul YONHAP in English 0613 GMT 18 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—The North Korea-U.S. nuclear agreement reached in Geneva Tuesday sets the year 2003 as the target for completing construction of two light- water reactors with a total capacity of 2,000 megawatts, inside sources said.

The most immediate action will have to be taken by the U.S. side, which must guarantee it will provide the light-water technology and supply alternative energy to replace what North Korea loses from halting the operation and construction of its graphite- moderated reactors.

According to the sources, a rough timetable set by Pyongyang and Washington calls for North Korea to freeze its nuclear activities within one month after the agreement with the United States is formally signed on Friday.

This means Pyongyang will not reload fuel into its 5-megawatt reactor and must halt construction of 50-megawatt and 200-megawatt units. It must also close down its radiochemical laboratory, which is actually a reprocessing plant.

All of these facilities are to be dismantled in the future.

The U.S. guarantee of light-water reactors and alternative energy will have to be given within this promised one-month period.

The sources say U.S. President Bill Clinton will probably send a personal letter to North Korean leader Kim Chong-il that expresses this guarantee.

Within three months after the agreement is signed, the United States is to start supplying alternative energy in the form of heavy fuel. Pyongyang and Washington need to talk over the details some more, but South Korean Foreign Minister Han Sung-chu said Seoul will not be one of the suppliers.

The energy supply will start at 50,000 tons and later reach 500, 000 tons per year.

The sources say an international consortium will have to be formed to provide this energy in the near future.

Within six months after the accord's signing, a contract will be initialed on light-water reactor construction. The reactor model chosen is the same as units being built in South Korea, the "Ulchin Nos. 3 and 4."

The United States is in charge of arranging the multinational consortium for the reactor project and it will sign the final contract with North Korea as the group's representative.

South Korea is expected to finance the majority of the project, estimated at 4 billion U.S. dollars.

Other details have yet to be worked into this larger time-frame, including the exchange of liaison offices, resumption of inter- Korean dialogue and North Korea's return to the Nuclear Non- Proliferation Treaty (NPT).

Foreign minister Han said inter-Korean dialogue will proceed in parallel with steps toward exchanging liaison offices, adding that such dialogue may well resume this year since the agreement says Pyongyang "will engage in" talks with Seoul.

The South-North dialogue will likely take the form of the Joint Nuclear Control Commission, the sources said.

DPRK Envoy in Bangkok on 'Victory'

SK1810062294 Seoul YONHAP in English 0616 GMT 18 Oct 94

[FBIS Transcribed Text] Bangkok, Oct. 18 (YONHAP)—The North Korean Embassy in Bangkok said Tuesday that Pyongyang regards the nuclear accord reached with Washington as a "diplomatic victory."

North Korean Embassy spokesman Pang Song-hae, commenting on the Geneva nuclear agreement, said: "We have reached the accord with the United States because it is compatible with our interests. Therefore, the accord can be regarded as a diplomatic victory of the Democratic People's Republic of Korea."

He hoped that a North Korean liaison office will be set up in Washington within the year as a first step toward establishment of official relations with America.

North Korean-Japanese rapprochement, he said, depends entirely on Japan, which he said should apologize for its war crimes and offer sufficient compensation for the damages it caused.

Impact on North-South Ties Viewed

SK1810074494 Seoul YONHAP in English 0730 GMT 18 Oct 94

[By Kim Myong-chol]

[FBIS Transcribed Text] Seoul, Oct. 18 (YONHAP)—The nuclear accord worked out by the United States and North Korea in Geneva on Tuesday is likely to bring about great change in inter-Korean relations, including the rescheduling of a summit that was aborted after Kim Il-song's death last July.

The document states that Pyongyang and Washington agree on implementation of the South-North Korean declaration on a nuclear- free Korean peninsula and the resumption of inter-Korean dialogue, binding the North Koreans to reopening dialogue suspended since early 1993.

With the settlement of the nuclear issue, a major stumbling block to the dialogue, it is certain that the dialogue will resume in some form, though "when" remains in question.

In North Korea, the mourning period for Kim Il-song is over and de facto leader Kim Chong-il is expected to take power formally at any time. This means that the North Korean situation is ripe for a resumption of dialogue with South Korea, including the aborted summit.

In reaching a nuclear agreement with the Americans, the North Koreans appeared to be well aware of the need to improve relations with South Korea to attain their objective of improved ties with the United States.

The United States, for its part, had to persuade North Korea to agree to resume inter-Korean dialogue for its plan of having South Korea play a major role in providing light-water reactors to North Korea.

When Seoul seeks to resume dialogue on the basis of the Geneva accord, Pyongyang can hardly turn down the offer, government officials observe.

But some Pyongyang watchers here say the North Koreans will come to the negotiating table with the South Koreans only to better their relations with the United States by implementing that part of the nuclear accord, not to improve ties with Seoul.

Improved inter-Korean relations would lead to an opening of the reclusive country to the outside world and further, perhaps, to its collapse. Well aware of this scenario, the North Koreans would not dare to seek improved inter-Korean relations at the risk of their socialist system, these experts on North Korean affairs observe.

An exchange of liaison offices between Pyongyang and Washington under the nuclear accord will mean improved relations with the United States, the North's no. 1 enemy over the decades. To cement their Stalinist system amid a U.S. presence right in the capital, therefore, the North Koreans may feel compelled to maintain antagonism toward the South.

A government official, pointing to the intensive anti-South propaganda that radio program Pyongyang aired when the Geneva talks were under way, says: "It is highly possible that they will try to avoid resuming inter-Korean dialogue on the ground of the North Korean people's feelings against the South when they face the need to resume the dialogue under the Geneva accord."

Nevertheless, the government is expected to make the most of the Geneva accord to resume inter-Korean dialogue, including the summit that was suspended as a result of Kim Il-song's death.

It will decide whether to take the initiative in resuming dialogue and when to do so after carefully studying North Korea's new leadership and its attitude toward inter-Korean relations.

If the North Koreans really feel they must resume inter-Korean dialogue and behave accordingly, the government will move toward reopening talks.

However, President Kim Yong-sam said at a press conference on Oct. 8 that over 400 meetings with the North Koreans during the past half-century were not constructive, so the government would not rush into resuming inter-Korean dialogue.

And in an interview with Cable News Network (CNN) on Tuesday last week, he declared the inter-Korean summit agreed with Kim Il-song "remains valid," suggesting he would push ahead with the summit plan at an appropriate time under the agreement with the late North Korean leader.

Because Kim Il-song's unexpected death aborted the summit, the government will carefully study the summit issue after Kim Chong-il formally succeeds his father as workers' party general secretary and state president.

When inter-Korean dialogue resumes, the government will give top priority to implementing the joint South-North declaration on a nuclear-free Korean peninsula through mutual nuclear inspections.

Although the Geneva accord ensures settlement of the nuclear issue, the government believes the best way of securing North Korea's nuclear transparency is full implementation of the nuclear- free declaration.

The North Korean nuclear issue is of international concern, especially as it is a problem between the North and the International Atomic Energy Agency, while the government wants to see full implementation of the nuclear-free declaration through mutual inspections between South and North Korea. In other words, it thinks the nuclear problem will be completely solved when the declaration is realized.

A government official says, "the Geneva agreement makes it highly possible that the South-North declaration on a nuclear-free Korean peninsula will be implemented, and I expect dialogue with the North Koreans on implementing the declaration."

But in light of the present state of inter-Korean relations, it can hardly be expected that Pyongyang will be ready to meet with the South in the very near future.

If inter-Korean dialogue does resume under the Geneva accord, the strain after Kim Il-song's death will be relaxed eventually.

The North Koreans will have to sit down and talk with their South Korean counterparts, and the talks will make some progress when Pyongyang and Washington exchange liaison offices.

At any rate, the Geneva accord ensures solution of the nuclear problem, which has been a major obstacle to inter-Korean dialogue, and improvement in North Korea-U.S. relations. This will provide the two Koreas with the opportunity to realize the most significant change in their half-century relationship.

Follow-Up Measures Examined

SK1810092794 Seoul CHUNGANG ILBO in Korean 18 Oct 94 p 3

[Editorial: "Follow-up Measures After the Acceptance Are More Important"]

[FBIS Translated Text] The ROK Government has officially accepted the North Korea-U.S. agreement reached in Geneva and positively appraised it. However, it will be a heavy task to clear the ROK people's misgivings and uneasiness.

It is regrettable that the government appears to look at the agreement positively under compulsion even though we have pointed out the problems and inadequacies of the agreement. For instance, the government has repeatedly promised special inspections for the transparency and assurance of past nuclear activities. According to the agreement, it is uncertain whether special inspections may take place in three or five years. Although the government believes that North Korea does not possess nuclear bombs, the people are still uneasy thinking of the ifs.

The government should feel responsible for such a result. The foreign affairs and security team, which had repeatedly stressed the precedence of special inspections, now cannot tell the people that special inspections may be conducted in three years. A reproof of the foreign affairs and security team will be inevitable.

What we feel keenly about at this time is that the ROK is alienated from the discussion of resolutions even though the ROK is the direct party concerned, and that it is because the ROK did not have any leverage with North Korea. The ROK has stated that North Korea is a partner and has called for us to pursue co-prosperity, but there have been few measures actually taken to carry out such objectives. Economic cooperation is one field in which both the North and the South can benefit. However, many opportunities for economic cooperation were lost due to the nuclear issue. Now that North Korea and the United States have reached an agreement, the ROK Government should actively expand economic cooperation. If the North Korean economy develops and more North Koreans have employment opportunities due to North-South economic cooperation, the ROK will naturally have a right to speak and have leverage with North Korea.

Even though the government has high hopes for the ROK's "central role" in building the light-water reactors, we can only be at ease when we actually see that the ROK is playing the "central role." We still fear that we might only pay the money and let the United States and North Korea play the central role again. Therefore, the follow-up measures for accepting the agreement are important and we look forward to a reliable government policy on North Korea.

IAEA: Evidence of Undeclared Plutonium in North

SK1810015294 Seoul YONHAP in English 0146 GMT 18 Oct 94

[FBIS Transcribed Text] United Nations, Oct. 17 (YONHAP)—The UN nuclear watchdog agency has detected evidence that North Korea possesses an undeclared amount of plutonium.

In a report to the United Nations General Assembly on Monday afternoon (New York time), International Atomic Energy Agency (IAEA) Director-General Hans Blix said little progress has been made in the IAEA's efforts to gain access to additional information and facilities related to suspicions over North Korea's nuclear development program since the agency asked for such access last year.

Noting that North Korea has exacerbated the problem by removing spent fuel rods from its one operating nuclear reactor without appropriate safety measures, Blix declared there is no way of verifying the list of nuclear materials the North declared in 1992 as it has failed to provide transparency under the IAEA nuclear safeguards agreement.

South Korean Ambassador Yu Chong-ha, following Blix's report, said that Pyongyang could clear up the suspicions only if it guaranteed the transparency of its past, present and future nuclear activities.

"When North Korea carries out its duties under the nuclear safeguards pact, South Korea will not spare any effort in supporting North Korea's peaceful applications of nuclear energy," he added.

The German, Japanese, Hungarian and Bulgarian ambassadors, concerned about the North's secretive nuclear program, also urged it to permit IAEA inspections as stipulated by the nuclear safeguards agreement.

But North Korean Ambassador Pak Kil-yon reiterated his government's position against special IAEA checks, saying: "We cannot receive the special inspections because they target military facilities."

He then criticized Japan, claiming that it currently has 1.6 tons of plutonium and will increase the amount to 50 tons—enough to make 6,200 nuclear bombs—by the year 2000.

The General Assembly is expected to adopt a resolution Wednesday regarding the IAEA report on North Korea. The resolution was jointly drafted by 30 nations including South Korea and the United States.

The resolution will praise the IAEA for its fairness in seeking to have North Korea abide by the nuclear safeguards pact, urge Pyongyang to cooperate with the IAEA in fully implementing the safeguards accord, and support all efforts contributing to the North's implementation of the agreement including the ongoing North Korea-U.S. talks in Geneva.

Inter-Korean Economic Committee 'Top Priority'

SK1710141394 Seoul YONHAP in English 0811 GMT 17 Oct 94

[FBIS Transcribed Text] Seoul, Oct. 17 (YONHAP)—The government will place top priority on opening the South-North Korean Joint Economic Committee if the U.S.-North Korean talks in Geneva reach a complete settlement and inter-Korean dialogue resumes.

Sources at the Economic Planning Board (EPB) said Monday the government has already begun examining its list of priorities for Seoul-Pyongyang dialogue amid reports that the Geneva nuclear talks are nearing a last-minute conclusion.

The government study is focused on providing legal and institutional support for expediting economic exchanges between South and North Korea.

A government official disclosed that once the nuclear issue is resolved, national unification-related ministers will meet to discuss visits by South Korean businessmen to the North, expansion of direct investment and material exchanges, and activation of processing-on-commission trade.

He observed that top priority will be placed on opening the inter-Korean Joint Economic Committee, whose creation has already been agreed by Seoul and Pyongyang.

An EPB official explained that little remains to be done separately as the government has prepared sufficiently. The Joint Economic Committee, he went on, will handle already agreed agenda items—establishment of payment accounts, conclusion of investment guarantee and dual taxation avoidance accords, and the opening of direct sea routes linking South and North Korea.

Significance of Kim Chong-il Reappearance Viewed

SK1810094094 Seoul HANGUK ILBO in Korean 18 Oct 94 p 3

[Editorial: "After the Appearance of Kim Chong-il"]

[FBIS Translated Text] It is very significant that Kim Chong- il, who had covered up his tracks since the 20 July memorial rally for Kim Il-song, appeared at another memorial rally marking the 100th day anniversary of Kim Il-song's death, an official event, after an 88-day absence. His appearance shows that he is healthy, that he has firm power ground, and that his power succession is a matter of time.

The government should hurry to take various measures in preparation for the rapid change of situation on the Korean peninsula, which will follow the inauguration of the new Kim Chong- il system and the forthcoming conclusion of North Korean-U.S. nuclear negotiations.

The power structure of the North Korean system is really strange. It is difficult to understand with common sense that North Korea has not established a succession system until now when 100 days have passed since the top leader died. The regulations of the Workers Party of Korea and the North Korean law specify only the procedures for electing the party general secretary and the president and do not have any article that specifies who is supposed to succeed to power for a certain period when the top leader dies or resigns. The procedures of power succession are excluded from the regulations and the law because of the unquestionable hereditary power succession and long-lasting dictatorship by Kim Il-song and his son.

While Kim Chong-il concealed his whereabouts, various rumors were circulating; for example, that he was sick; that he was confined to house arrest by O Chin-u, minister of the People's Armed Forces; and that there was a power struggle in North Korea. His participation in the recent memorial rally got rid of all these rumors at once.

In fact, no one can deny Kim Chong-il's power succession because, as shown in Kim Pyong-il's interview with a foreign paper, he has laid a firm foundation for his power succession for the past 20 years, and in particular, he cruelly removed dissident groups.

In some aspects, for a smooth grasping of power, Kim Chong-il carried out active propaganda activities for 88 days to make the people believe he is the only person who can replace his father.

All North Korean media, including the party organ NODONG SINMUN and radio, agitated people to uphold Kim Chong-il as "the extraordinary leader," "the top leader of the party, the state, and the revolutionary armed forces," "the sun of all the people;" to "unite the entire party, the entire Army, and all the people for Kim;" and to be loyal to Kim Chong-il as they were to Kim Il-song." This can be regarded as preparatory work to upgrade Kim Chong-il's position and to unite the people.

The three North Korean powers are the party, the Army, and the government. Kim Chong-il was appointed chairman of the National Defense Commission in April 1993, and all that he has to succeed to are the positions of party general secretary and president. The general secretary is to be appointed first by the party Central Committee. In view of the stand-by order to the party Central Committee members who participated in the memorial rally for Kim Il-song on the 100th day after his death, it is highly possible for Kim Chong- il to officially assume power after being appointed party general secretary right after the conclusion of the North Korean-U.S. negotiations, which is likely to be achieved soon, to demonstrate his leadership at home and abroad. It is also possible for North Korea to delay his appointment until next month or until the annual party plenary session slated for December.

Anyhow, Kim Chong-il's inauguration as party general secretary and as president will be the beginning of a new North Korean system. It is highly likely that the new North Korean regime will promote the improvement of its relations with the United States and Japan, will take a restricted and phased opening policy in a bid to overcome crises—such as economic difficulties and the increasing people's complaints—and will seek both military threat to and economic cooperation with South Korea by demonstrating its military power, unlike the Kim Il-song regime.

It is clear that the current on the Korean peninsula, toward strong neighboring countries, and of South-North relations will rapidly change because of the inevitable conclusion of the nuclear negotiations.

Delay of Kim Chong-il's Inauguration Predicted

SK18[illegible]010594 Seoul THE KOREA TIMES in English 18 Oct 94 p 2

[Article by Son Ke-yong]

[FBIS Transcribed Text] North Korea has instructed all members of the Workers' Party Central Committee to stand by in Pyongyang, an action which North Korea watchers said will lead to Kim Chong-il's official takeover of the reclusive regime's top office.

"The committee members, now in Pyongyang to attend a memorial rally marking the 100th day of Kim Il-song's death, were ordered not to leave the capital," a National Unification Board official said.

However, the Seoul government cannot predict when he will officially take over as the ruling party's general secretary because the committee's full session, to be convened in secrecy, will announce its result only after the session is over.

As Kim Chong-il is believed to hold a firm grip on power, his official succession is only a matter of time, he said.

The Central Committee which elects the party's general secretary comprises 145 regular members and 103 candidate members and is held at least once every six months.

Its full session is also empowered to organize the party politburo, secretariat and party military commission.

Kim Chong-il's first public appearance at the memorial ceremony, in 87 days since his father's funeral in July, also fanned the speculation that his official succession is imminent.

Even though he didn't look healthy, it appears that his health is not directly related to the prolonged delay in his succession.

Kim, who remained silent during the ceremony, was still called the supreme commander of the North Korean armed forces, which indicted that he had not yet taken over as the ruling party's general secretary.

North Korea has said that filial piety of Kim, groomed to succeed his father during the past two decades, is the only reason why it postponed the transfer of power.

The memorial service also showed no visible power change in the structure of the North Korean leadership because all participants including Defense Minister O Chin-u and Premier Kang Song-san retained their ranking in the funeral committee for late president Kim.

North Korea watchers note that Kim is not yet ready to publicly play the role of state president or he thinks that remaining in the shadows as a virtual leader meets his interests rather than going public.

Even if Kim was is as the party's general secretary in a secret session,the North Korean leadership could delay the announcement, according to North Korean laws. [sentence as received]

However, it is virtually impossible for Kim to remain a hermit even after he takes over as state president as he will have to attend state banquets and meet foreign visitors.

The president is officially elected by the Supreme People's Assembly even though the successful candidate is chosen in advance at a full session of the Central Committee.

Since the regime's establishment, North Korea has made prior notices before convening the Supreme People's

Assembly and the state president is to make an inauguration speech upon being elected by the assembly.

But there is no movement in Pyongyang on convocation of the assembly whose notice must be made a fortnight or at least three days before the opening.

Therefore, Kim's inauguration as state president is likely to be delayed for a considerable time.

His succession could also be related to the outcome of U.S.-North Korea talks in Geneva which hit obstacles in eleventh-hour bargaining for an overall agreement, dashing hopes for an early breakthrough.

If the talks wrap up in favor of North Korea, Kim, believed to be the wirepuller in the long-running nuclear standoff, might hurry up his official succession amid a festive mood.

Meanwhile, Deputy Premier-Unification Minister Yi Hong-ku called on North Korea to act sincerely to resolve the nuclear row and start preparations for peace and prosperity.

In a speech delivered to a seminar on the North Korean economy, Yi was quoted as saying that "I want the Kim Chong-il regime to remain stable in North Korea."

"I want the Kim Chong-il regime to become the beginning chapter of (inter-Korean) reconciliation and cooperation, not the last chapter of the 50-year-old North Korean system," Yi was cited by his spokesman as saying.

Former DPRK Diplomat Interviewed on Issues

SK1810103094 Seoul CHOSON ILBO in Korean 18 Oct 94 p 5

[Interview with former North Korean diplomat Ko Yong-hwan by Kim Hyon-chol—place and date not given; first two paragraphs are CHOSON ILBO introduction]

[FBIS Translated Text] With the end of the Washington-Pyongyang talks in Geneva near and with Kim Chong-il's official appearance, we saw increased developments in the situation on the Korean peninsula.

Recently, CHOSON ILBO interviewed former North Korean diplomat Ko Yong-hwan, who fled to the ROK in 1991, to have a general view of the movements inside and outside North Korea.

[Kim] Recently, Kim Chong-il appeared in public after a long period of silence. Can this be seen as a sign that the Kim Chong-il system has completely set sail?

[Ko] In general, yes. I can say that the Kim Chong-system is carrying out domestic and foreign policies in its own way, regardless of Kim Chong-il's official ascension to power. The Kim Chong-il system is making a smooth transition of power according to its plan and there seems to be no visible obstacle to such transition.

[Kim] Can Kim Chong-il's reemergence at the memorial service be seen as the fact that his system is in firm control? In addition, how is Kim Chong-il's health and the process of his formal rise to power?

[Ko] There seems to be no problem in his ascension to power. However, it seems that there is some problem with his health. The 16 October memorial service was held for one hour and 10 minutes, shorter than we had previously expected. This step may have been taken considering Kim Chong-il's poor health. I cannot even understand why Kim Chong-il failed to attend the dedication ceremony of the tomb of Tangun that was held before the memorial service. In the past, Kim Chong-il even attended the opening ceremony for a bowling alley and golf club in Pyongyang.

That North Korea did not give prior notice on the exact date of the dedication ceremony of the tomb of Tangun and delayed the memorial service seem to be closely linked with Kim Chong-il's health. Actually, in television footage, he appeared sickly and listless. I could not find his unique piercing looking in him.

I think chances are high that Kim Chong-il's official ascension to power will be further delayed as North Korea has yet to develop the contents of a keynote speech that will be delivered if Kim Chong-il becomes the general secretary of the Workers' Party of Korea as well as a policy speech that will be delivered when Kim Chong-il assumes the state presidency.

The North Korean residents pin new hope on Kim Chong-il's system in the wake of its official inauguration. If the Kim Chong-il system fails to meet the people's hope, it will be faced with difficulties from the beginning. This is not an easy job for Kim Chong-il nor can it be done in a short period. Along with this, the personnel reshuffle in the party, the government, and the military is not completed. Chances are high that Kim Chong-il will assume the position of the party general secretary before or after December and the state presidency next April when the tenure of deputies to the Supreme People's Assembly expires.

[Kim] It seems that North Korea attained its objective set before the Geneva talks. Do you think that North Korea will truly give up nuclear development?

[Ko] No, it will be unlikely. It seems that North Korea will remain unchanged in its notion that the nuclear development is a matter concerned with death. North Korea will continue to push ahead with nuclear activities under any excuse. I do not know about technical problems. Nonetheless, frankly speaking, I am pessimistic about whether nuclear inspection can yield a satisfactory result. I think we need to accept seriously the fact that all North Korea is fortified.

How can one know what is beneath the ground in North Korea? There is a great possibility that North Korea will dash toward a hardline to "venture even a war" at any time by taking the ROK as hostage regarding the nuclear problem. Thus, we can hardly believe that the nuclear problem can be resolved completely with the Geneva talks. There will be many snags in the course of the implementation of the agreement.

[Kim] It is likely that with the establishment of liaison offices in North Korea and the United States, the U.S. flag will soon fly over the sky of Pyongyang. There is also the possibility that the Japanese and German flags will be hoisted there in succession. Do you think that this will work as an occasion for North Korea to pursue opening and furthermore, democratization?

[Ko] North Korea has two reasons for wishing the improvement of its relations with the United States and other Western countries. One is that North Korea is aiming to ensure its security and at forcing U.S. troops in the ROK to withdraw or to be reduced, and at ultimately achieving the so-called "liberation of South Korea." Indeed, no one can deny that this is North Korea's long-cherished desire which it will never discard, although this may sound as an old, outdated talk.

The other reason is that North Korea wants to resolve its urgent economic difficulties. On the other hand, however, it is true that improvement in relations with Western countries will be a burden on North Korea. North Korea mutually established embassies with Australia in the seventies. At that time, North Korea took great pride in the establishment of embassies, claiming it as "an act of breaking through the stronghold of the capitalist camp." However, the North Korean authorities were unable to control the diplomats from capitalist countries who came to Pyongyang. These diplomats met with citizens without permission and went out of Pyongyang. As a result, North Korea expelled all Australian diplomats branding them as spies. In the event that embassies of the United States and other Western countries are established in Pyongyang, the pressure may be applied on a full scale in connection with the human rights issue within North Korea. This being the situation, by taking all this into consideration comprehensively, North Korea will adjust the speed of and depth in the development of diplomatic relations with these countries.

[Kim] Since Kim Il-song's death, North Korea persistently refused North-South dialogue. Nevertheless, North Korea secretly agreed to accept trade offices from the ROK side. Does North Korea pursue the line of distinguishing economy from politics in implementing its policy on South Korea?

[Ko] Yes. You are right to a certain extent. However, one should pay attention to the reason, which has been concealed, why North Korea is taking a flexible attitude toward the ROK pertaining to economic issues. The very reason is that North Korea is attempting to alienate businessmen from politicians in the ROK and thus to create confusion in the ROK policy on North Korea. Furthermore, if North Korea succeeds in practically obtaining economic support from South Korea, it means that North Korea killed two birds with one stone. For North Korea, economic exchange with South Korea is merely an economic issue. North Korea's plan to allow trade offices in Najin-Sonbong district has been prompted by this line. Although the ROK wants to attach importance to advancing to this district, North Korea will establish an office which will handle only working-level matters within the special economic zone.

* Status of Relations With PRC Reviewed

942C0212A Seoul CHUGAN MAEGYONG in Korean 17 Aug 94 pp 38-39

[By reporter Min Ho-ki: "Third Largest Market Only Behind U.S. and Japan Emerging Two Years After the Sino-ROK Normalization"]

[FBIS Translated Text] The coming 24 August marks the second anniversary of the establishment of normal diplomatic relations between the ROK and China.

The last two years saw the economic exchange between the two countries developing at an unusually high speed. And China has now established itself as one of our three major trade partners. It is popular among our industries—currently in a restructuring phase—as the largest attraction for overseas investment. It is emerging as a substitute market offering a solution to export problems created by the stagnation of the existing major markets.

Sino-ROK trade last year amounted to $9.079 billion, of which $5.151 billion was in exports and $3.928 billion was in imports. This year, exports through June recorded $2.890 billion, a 21% increase over the same period last year, and imports $2.560 billion, a 40.6% gain. So, the gross amount of the bilateral trade is expected to exceed $10 billion for the first time.

China rapidly became the third largest export market, behind only the U.S. and Japanese markets, as its share in total ROK exports jumped from 3.5% in 1992 to 6.3% in 1993.

Moreover, Hong Kong and China are already in the process of forming a single market. Combined, they represent 14.1% of ROK exports, exceeding the European Union, and probably Japan, too, next year.

The bulk of ROK exports to China are raw and subsidiary materials which China needs in fostering its own export industries, including synthetic resin, leather, steel and synthetic fiber. Meanwhile, China exports to the ROK mostly the types of goods it developed specially for exports, including farm products, mineral goods, chemical products, and textile goods.

Because of differences in the levels of industrialization and trade patterns, the two countries are highly interdependent and the bilateral trade definitely has great potential for further development. Particularly, China is pursuing high growth policy to prepare for its GATT membership by reducing tariffs and reforming foreign trade management. Thus, Sino-ROK trade is expected to increase even more rapidly.

In this environment, the Korean Trade Promotion Corporation foresees that Sino-ROK trade will reach a $30-billion level in 1997, the year of Hong Kong's reversion to China, and $56 billion in the year 2000.

The ROK needs economic cooperation with China for the sake of securing overseas production bases to make up for the declines of certain labor-intensive industries caused by Chinese goods making inroads into our domestic demand markets as a result of the bilateral trade and the increases in domestic wages.

Especially in view of the instability of world resources markets, it is essential to strengthen economic cooperation with China to secure stability in the supply of resources.

To accelerate its economic development, China also needs cooperation with us in capital and technology. Consequently, the two countries, while acting as the complement of each other in the short run, are expected to continue to promote economic cooperation between them. However, China's sustained annual growth, which is as high as 13%, and its adverse effects cannot be overlooked.

Mainly in labor-intensive products such as apparel, textiles, stuffed toys, and shoes, China has a price-competitive edge on us and is breaking into major export markets around the world. Of late, it has become our rival in capital-and technology-intensive industries, too, including shipbuilding, machinery, and home appliances.

While a new future market on the one hand, China is on the other effectively emerging as the biggest rival of our industries both at home and abroad. In fact, according to a recent survey of 1,000 ROK export companies on how their rival countries have changed, conducted by the Korea Traders Association, 31.9% of the polled named China as their biggest rival. Incidently, 22.1% named Taiwan, and 21.1% Japan. In a similar survey conducted two years ago, 28.2% named Taiwan as their main rival, 26.5% Japan, and 18.6% China.

Sino-ROK economic cooperation is going on very vigorously not only in exports and imports but in capital transactions as well. Direct ROK investments in China, which began with investments in two cases in 1988, got into stride in 1990 and has skyrocketed since the 1992 normalization of diplomatic relations. Last year, especially, investments in China represented 59.9% of the total number of approved cases of overseas investments, which was 1,050. They accounted for 33.2% of the total amount for the same year, which was $1.872 billion, reflecting China's overwhelming weight in the ROK's overseas investment.

Complementary Relationship in Industrial Structures

ROK investments in China reached 2,330 cases in total as of the end of May this year, amounting to more than $1.2 billion in value. Thus, the ROK became the sixth largest investor in China.

ROK industries investing in China are mostly those losing competitiveness because of the worsening domestic economic environments, including apparel, shoes, leather and toys. Since the beginning of this year, however, the number of cases of capital- and technology-intensive industries such as electronics, autos and machines setting up operations in China has markedly increased. Therefore, future economic cooperation between the two countries is likely to shift into a phase focusing simultaneously on both quantitative and qualitative aspects.

By region, firms setting up operations in the Bo Hai Wan region and three Northeast China provinces—Liaoning, Jilin, and Heilungjiang—account for 86% of the total ROK investments in China. The reason they are concentrated in Northeastern regions is that, in addition to the geographical proximity, there are Korean minority communities in the three provinces to help solve the communication problem.

Characteristic of their investment pattern is that ROK enterprises, unlike those from other countries, conspicuously take the form of separate, individual investment. While such investments accounted for 19.4% of the total foreign investments in China as of the end of 1993, they reached 46.6% in the ROK case, not counting similar investments under planning.

ROK overseas investments are expected to grow gradually as a result of the bloc-building and globalization trends in the world economies. In China in particular, they will likely expand sharply every year. It is because production costs are still low in China and, moreover, China represents an enormously big potential market. For effective investments, coordination with industries in the country should be strengthened and objects of investment diversified, according to experts.

They maintain that although investments in China have so far focused on medium- and small-size enterprises in the light-industry sector and labor-intensive simple processing operations, they should from now on be expanded to include the auto, machine, steel, petrochemical, and other heavy chemical industries.

At the same time, future investments should be aimed at domestic demand markets and they should be consistent with characteristic economic interests in each sector. Desirable, they add, are investments made through the cooperation between big businesses and medium and small businesses as well as that between general trading companies and manufacturing companies.

Status of Direct Investments in China by Year (approval basis)

Division	1988	89	90	91	92	93	Total
Number of Cases	2	12	38	112	269	629	1,042
	(-)	(7)	(23)	(69)	(171)	(377)	(646)
Amount in $million	3.4	9.8	54.5	84.7	22.19	622.4	959.5
	(-)	(6.4)	(16.0)	(42.5)	(141.2)	(262.4)	(465.2)

Source: Bank of Korea

Five Top Export Items and Their Percentages By Year

1990:

1. Electronic parts 15.2%
2. Fiber material 14.9%
3. Steel products 13.8%
4. Organic chemical goods 13.7%
5. Textile goods 11.8%

Total: 69.4%

1991:

1. Organic chemical goods 17.1%
2. Textile goods 14.7%
3. Steel products 14.0%
4. Fiber Material 10.5%
5. Electronic parts 10.1%

Total: 66.4%

1992:

1. Steel products 30.0%
2. Organic chemical goods 18.7%
3. Textile goods 9.7%
4. Leather and fur pieces 5.3%
5. General machines 5.0%

Total: 68.7%

1993:

1. Steel products 20.8%
2. Organic chemical goods 13.6%
3. Transportation machines 11.6%
4. Textile goods 8.1%
5. Petroleum products 6.6%

Total: 60.7%

1994:

1. Steel products 18.3%
2. Organic chemical goods 16.3%
3. Textile goods 10.5%
4. Leather and fur pieces 8.2%
5. General machines 6.6%

Total: 59.9%

Source: The Office of Customs Administration

Top Five Import Items and Their Percentages By Year

1990:

1. Farm products 24.1%
2. Textile goods 16.6%
3. Mineral fuel 12.3%
4. Nonmetallic minerals 9.0%
5. Organic chemical goods 7.0%

Total: 69%

1991:

1. Farm products 28.7%
2. Textile goods 14.6%
3. Nonmetallic minerals and products 13.7%
4. Steel products 9.2%
5. Mineral fuel 9.1%

Total: 75.3%

1992:

1. Farm products 30.9%
2. Textile goods 15.4%
3. Mineral fuel 11.7%
4. Nonmetallic minerals and products 6.6%
5. Steel products 5.6%

Total: 70.2%

1993:

1. Farm products 28.3%
2. Textile goods 15.8%
3. Mineral fuel 11.1%
4. Fiber yarn 5.0%
5. Steel products 4.5%

Total: 64.7%

1994 (January-May):

1. Farm products 24.7%
2. Textile goods 15.8%
3. Mineral fuel 9.5%
4. Fiber yarn 5.0% 5. Fiber products 4.9%

Total: 60.5%

Source: The Office of Customs Administration

Enterprises Compete Over Russian Raw Materials

SK1710122394 Seoul MAEIL KYONGJE SINMUN in Korean 17 Oct 94 p 3

[Article by reporter Kim Chong-hyon]

[FBIS Translated Text] A controversial issue at the National Assembly's inspection of the government offices has been whether the government has forcibly allocated shares to ROK enterprises in terms of importing raw materials from Russia in connection with Russia's repayment of the ROK-provided loans.

In a meeting held in Moscow last month, the ROK and Russian Governments agreed that the ROK would be repaid $200 million in the form of defense industry products and the remaining $200 million in raw materials, out of a total of $400 million of a loan granted to Russia in 1993.

In addition to this, the ROK agreed to import raw materials worth $100 million in cash. The point in question is: In connection with the raw materials to be imported totaling $300 million, the Ministry of Finance and the Ministry of Trade, Industry, and Resources—which are responsible for this matter—are experiencing difficulties as to whether relevant enterprises have been forced to import those materials or not.

In conclusion, those who are talking about the government's forcible allocation of shares to each enterprise are mistaken; but, it has been confirmed that ROK enterprises are engaged in a fierce competition over the imports of such raw materials.

Since last June, the Ministry of Trade, Industry, and Resources has been receiving letters of intent from seven ROK enterprises to import six types of raw materials from Russia.

As a result, it has been found that the general trading corporations want to import raw materials as follows: $136 million worth of iron and steel slates; $138 million worth of billets; $66 million worth of pig iron; $68 million worth of (?beetle lever); and $72.4 million worth of pulp.

In addition, the Office of Supply has decided to import $4 million worth of nickel and $64 million worth of aluminum for government use. At the request of the enterprises, the government has allowed private corporations to import $71 million worth of aluminum.

Accordingly, the total amount of goods to be imported will be $619.4 million, double the amount which has been supposed to be imported from Russia. In particular, as for the aluminum, which only the Office of Supply is qualified to import, the enterprises have made clear their intention to buy the additional material only if they are given their share to import this item.

The Ministry of Trade, Industry, and Resources has allocated shares to the enterprises to import the items that are in short supply. As a result, the Office of Supply will import $4 million of nickel and $64 million of aluminum; and private corporations will import $71 million worth of aluminum, $45 million worth of iron and steel slates, $20.5 million worth of billets, $405,000 worth of pig iron, $40 million worth of (?beetle lever), and $30 million worth of pulp.

Because the government is able to allot shares of only about half the amount of what private enterprises want to import, the argument about the government's forcible allocation of shares to those corporations is illogical.

One official at the Ministry of Trade, Industry, and Resources said: "Because of the strong requests from enterprises, we have made a decision as to the allocation of shares on the basis of three principles: whether the relevant corporations own factories that need those raw materials; whether those corporations have experience in importing products from Russia and how much they have imported such products; and whether those corporations have negotiating capabilities. The groundless rumor about the government's forcible allocation of shares to the enterprises has been spread intentionally by those enterprises that are suffering from a relative disadvantage in terms of the government's allocation of shares."

Min Pyong-kwan, manager of the Planning Department of Daewoo Corporation, pointed out: "I understand that some enterprises are complaining. But, most enterprises are competing to import as many cheap Russian raw materials as possible."

One official of another general trading corporation expressed his concerns by saying: "According to the information we have obtained so far, the mission of the Russian Ministry of Foreign Economic Relations is reporting to its home government that ROK enterprises are engaged in excessive competition. The reality is quite different from the rumor about the government's forcible allocation of shares to enterprises. On the contrary, we will, perhaps, be experiencing a disadvantage in the negotiations with Russia as to the purchase of raw materials."

IMF: Banks Should Shed 'Inward' Traditions

SK1510024594 Seoul THE KOREA TIMES in English 15 Oct 94 p 1

[Report on an "exclusive interview" with Michel Camdessus, managing director of the International Monetary Fund, by staff reporter Yi Chang-sop following a breakfast meeting at the Hilton Hotel on 14 October]

[FBIS Transcribed Text] Michel Camdessus, managing director of the International Monetary Fund [IMF], yesterday suggested that Korean banks shed their inward-looking traditions and strategies to catch up with the global internationalization.

He said that the future of Korean financial institutions lies not in the Ministry of Finance, but in the international market.

Korean bankers are facing the same syndrome taking place in the rest of the world by seeking to get the "market signal from the government" even in age of liberalization.

Camdessus arrived there Thursday [13 October] to meet leaders of the Korean financial circles and senor officials on his way to the Philippines.

Instead of looking to the government, Korean banks need to "enter the business of exporting capital to the world, devising strategies and plans for global marketing," he said in an exclusive interview with THE KOREA TIMES following a breakfast meeting with Korean bankers at the Hilton Hotel.

The 61-year-old chief of the 179-member IMF pointed out there is a wide discrepancy in the degree of internationalization of Korea's financial sector and the rest of the economy.

Camdessus said Korea's financial reform must be corresponded by the financial industry adapting itself to changes rapidly taking place here.

He said Korean banks have long been "too protected and over regulated," but praised the Korean government for "establishing a track record of timely implementation of the multi-year plan" for financial sector liberalization and capital account opening that was put forward last year. "And this process must continue," he remarked.

The former governor of the French central bank said government regulation and intervention in the financial sector, together with capital controls, which have kept financial markets in Korea largely isolated from international markets, delayed the development of the country's financial system.

They have caused it to lag behind other sectors in the economy as well as the financial sectors of other economies at a comparable level of development, including a number of economies in this region.

He said Korean financial reform, including liberalization of capital flows, needs to take place "a little bit more rapidly than is expected." The Korean economy and financial institutions will benefit from the acceleration of the financial reform, including the opening of the financial industry to foreign investment, he said.

But he took pains not to give the impression that he was meddling in internal affairs. "As I noted in the breakfast speech, Korea has implemented some of the important changes ahead of schedule," he said.

Asked to say what is the optimal speed of the reform, he answered: "You cannot measure the speed by meters or miles per hour but the speed must be set by Korea's own needs."

Camdessus defended against the Third World criticism of the IMF for "prescribing the same medicine for different patients (member countries)." "We have good reasons to prescribe the same medicine for the different patients. When a member country sees high inflation due to lack of discipline in monetary and budgetary stances, the only therapy is to advise it to combat mounting inflation.

"Another example is when a country is suffering from high unemployment, we advise it to deregulate the labor market to maximize job opportunities."

"In a word, the elements of the IMF policy advice to member countries are the same," he said, "Korea is one of those countries whose economies became successful by steadfastly implementing our policies."

Asked to comment whether the Washington-based organization will hire more Korean nationals, he said the number of Koreans at the IMF is more or less in proportion to its voting rights. There is no rigid rule in the IMF recruitment policy, he said, indicating that talented Korean economists and possibly other Asians, will be able to work with the IMF.

He said his job is to help the member countries "feel at home" in the IMF. This means that countries' quotas must be a true reflection of their economic size; that the costs of running the IMF must be distributed in a balanced manner among its members; and that all members should have a stake in the special drawing rights (SDRs)—the IMF's unique reserve assets, he said.

For Korea, these considerations mean that "we can look forward to Korea's greater role in the IMF," Camdessus said, adding that Korea will be able to make its full contribution to discussions of international monetary affairs.

"I greatly appreciate Korea's contribution in the renewal of the Enhanced Structural Adjustment Facilities (ESAF)—our most concessional lending window. Furthermore, we have been working to put together a package to help meet the sizeable financing needs of many developing countries and countries in transition," he said.

He emphasized the continued history of partnership between Korea and the IMF. Not only has Korea achieved one of the fastest growth rates in the world in these decades but the benefits of its growth have been broadly shared among the population and poverty has declined considerably, he said.

The development of the Korean economy indeed carries important lessons for other countries and the IMF has naturally drawn on them in formulating the policy advice it provides to all its member countries. "The IMF is proud to be associated with Korea's economic success," he said.

* HANGYORE 'Ideological' War Discussed

942C01195B SISA JOURNAL in Korean 28 Jul 94 pp 20-21

[By reporter Kim Tang]

[Text] In our times, it is not easy to distinguish between the generalized borders of the conservative and progressive camps. This is because, in the structure of division that has continued for the last half century, our society's concepts of conservatism and progressivism have shown that they are dominated by ideology rather than being formed by confrontation and strife over diverse social values. The ideologies of a divided peninsula have dominated all the values and morals advocated by these two concepts, conservative and progressive. Our society's intolerance, which does not permit diverse ways of thinking or value systems, is perfectly reflected in the media, the "mirror of society." This black-and-white thinking is clearly seen in the media's reporting on the various events taking place in our society: labor strikes, student demonstrations and the commitment of law-enforcement forces, the agreement on a historical summit meeting and the dramatic death of one of its participants, and the memorial service controversy that led to Red-plot theories. From this perspective, if we classify our country's institutionalized media (particularly the general dailies published in Seoul) into conservative and progressive, as is commonly acknowledged, our society would have "one progressive newspaper and all the rest would be conservative." The one progressive newspaper, HANGYORE SINMUM, made use of the weekly news magazine it publishes, the HANGYORE 21, to launch full-scale criticism of two examples of the conservative media, the CHOSON ILBO and WOLGAN CHOSON. The background behind the HANGYORE 21's criticism of the other newspapers was honestly shown in an "editor's note" printed in a cover story article (July 7th issue) entitled, "The Extreme Commercial Rightism of the CHOSON ILBO." "The CHOSON ILBO is launching a full-scale ideological offensive, even though it can be said to be biased on the major issues, from the North Korean nuclear problem to the railway strike. The WOLGAN CHOSON in particular is stubbornly maintaining a bias that defies common sense, as if fancying itself the assault force of this offensive. Beginning with a recent article in Issue 7, entitled, "People Ignoring the Human Rights Problem of Our North Korean Compatriots," in which it criticized the HANGYORE 21's article reporting on North Korean logging sites, it has launched an attack aimed at Korea's progressive media and sound-minded intellectuals." The point of this article, which had as a subtitle the phrase, "Dissection of South Korean Intellectuals' View of North Korean Human Rights," taken by HANGYORE 21 from Issue 7 of the WOLGAN CHOSON, can be easily seen in the following quote: "Some conscientious forces, who stood at the forefront in the battle for democracy and the expansion of human rights in our society, defend North Korea, or keep quiet, when the issue of North Korean human rights violations is brought up. They reason that 'bringing up the issue of human rights in North Korea is meddling in its domestic politics,' that 'it is a problem they must struggle to resolve,' and that 'the special character of human rights in North Korea must be recognized because they live an autonomous existence.' In addition, they argue that unconditional economic aid is the only shortcut to the expansion of human rights in North Korea." The "conscientious forces" aimed at in this article by the WOLGAN CHOSON were the monthly news magazine MAL, the HANGYORE SINMUN—for its logging-site article, Pastor Pak Hyong-kyu, Pastor Kim Kyong-nam (NCC [expansion unknown] Human Rights, Society Bureau Chief), researcher Kim Chang-su (Center for Peace Studies), Professor Kang Chong-ku (Tongguk University), Professor Yi Yong-hui (Hanyang University), and Professor Han Sang-chin (Seoul National University). The WOLGAN CHOSON article was particularly critical of the logging-site article ambitiously covered by the HANGYORE SINMUN and HANGYORE 21: "It was totally ill-suited to the high human rights awareness of the HANGYORE SINMUN"; "According to the assertions of the so-called progressive media, almost all escapees fled after leading an insignificant life." HANGYORE 21's gravity toward and criticism of the CHOSON ILBO and WOLGAN CHOSON was not an emotional response to these newspapers' criticism of itself. Rather, it appears to have judged that the CHOSON ILBO's criticism was "due to the fact that the extreme logic long advocated by it was threatened by the development of new circumstances, such as the discussions on a North-South summit." To put it another way, this can be understood as a manifestation of the sense of crisis in the progressive camp following its conclusion that "the extreme logic of an influential newspaper, influential because it has the greatest number of readers in Korea, is being threatened." The HANGYORE SINMUN has been reprimanded: "The WOLGAN CHOSON labels [progressive and reformist groups] retrogressive forces within South Korea clinging to worn-out ideology. The arrogance and bias of this newspaper, which is encouraging a new police state and practices a witch-hunt style, and token interviews, are ruining history. What is the HANGYORE SINMUN, which is supposed to represent the progressive camp, doing about it?" The HANGYORE SINMUN's thinking can also be sensed in the following answer to the above criticism. "From Deputy Prime Minister Han Wan-song to Blue House Education and Culture Secretary Kim Chong-nam, and even President Kim Yong-sam, many people seem to be feeling a limit to their patience in the WOLGAN CHOSON's indiscriminate attacks over ideology and its Cold-War style, planned reporting, such as on the tunnel disturbance and the escape by North Korean loggers. Those most concerned over this are, of course, the progressive forces caught in the crossfire." This sense of crisis among progressive forces is also seen in the aggressive reporting done by MAL, a monthly magazine professing to be a progressive news magazine, and KIL, a social review magazine. KIL has declared a full-scale war on the WOLGAN CHOSON. In its last June issue, it printed a 30-page special report entitled, "WOLGAN CHOSON Arrogance Ruins History [WOLGAN CHOSONui Omani Yoksarul Mangchinda]." It then added "bias" to "arrogance," publishing a 30-page special report series ("WOLGAN CHOSON Arrogance and Bias Ruin History [WOLGAN CHOSONui Omangwa Pyongyoni Yoksarul Mangchinda]") in the July issue. In addition, KIL had Ko Song-kuk (Policy Office director, Association for National Policy Studies), a KIL editor and political critic, announce that it would publish a six-part series on

WOLGAN CHOSON General Manager Cho Kap-che, "who in the name of history advocates a general uprising of conservative forces." Part I would be an article entitled, "Why Your Writings Are a Problem." It would be followed by articles on Cho's ideas about Pak Chung-hee, Kim Yong-sam, North Korea, and unification, and on his view of history and his world view, in that order. The WOLGAN CHOSON and General Manager Cho Kap-che have yet to show a response. Attention is focusing on how long their patience will last concerning the attack of a progressive media, "feeling the limits of its patience." However, concerning this attack by the progressive camp, conservative monthlies, such as the HANGUK NONDAN and CHAYU KONGNON—which profess to be the "right-wing opposition," have begun "defensive fire." In a July-issue article entitled, "Red Destructive Elements Control Labor Movement," the HANGUK NONDAN warned, "The Communists' organized, group scheme to destroy and overthrow the Republic of Korea, disguised as legal actions, is spreading like the ocean-polluting red tide through the worlds of culture, art, academia, the press, politics, and law." It then announced, "We have decided to publish a four-part series lasting through the October issue presenting an emergency diagnosis on this crisis situation." Furthermore, the articles in recent issues of these magazines, which profess to be the right-wing opposition, invariably resemble the CHOSON ILBO and WOLGAN CHOSON in tone and plan (

- Covering the Scene of Flight from North Korea—the Curtain Opens on the Collapse of North Korea;
- Emergency Symposium—Will North Korea Collapse?;
- Minister Han Su-chu, Answer Us!;
- What Does Kim Tae-chung Want?;
- The Indictment of a Novel (Taebaek Sanmaek) and Its Aftermath;
- Another "Truth" Produced by HANGYORE;
- The Security Insensibility Syndrome of the Kim Yong-sam Administration;
- [They] Must Not Go to Pyongyang;
- Why Worry over Not Being Able To Meet with Kim Il-song?;
- Is This a Struggle with the Reds or Is It McCarthyism?).

The most striking of these is the article entitled, "Is This a Struggle with the Reds or Is It McCarthyism?" The conclusion of these Red-plot theories is: "Whether legal or illegal, the striking unions are groups of Reds and must be kept in line with a stick." "We are now directly faced with the vicious industrial agitation of the Communist Party...The unions of Hyundai, Daewoo, and other key industries are now, one after another, submitting legal dispute reports. It is obvious what will follow. After the passage of the cooling-off period provided by law, they will go into an illegal strike after taking a vote on it. How long will the government stand by and do nothing about the Communist Party's legal, illegal, and half-legal struggle?" Professor Kang Chun-man (North Cholla Province University) in a HANGYORE 21 article characterized the behavior of the CHOSON ILBO and WOLGAN CHOSON as "national-security-selling" commercialism. He put it this way. "The logical conclusion of these articles always seems to be, 'we must beat North Korea into line.' It would be refreshing if they just said this frankly. The CHOSON ILBO will never put it this way. They mean to say, 'Let's make war.' But they only beat around the bush, saying something like, 'We must have the resolve to go to war in order to prevent war.'" The media's reporting on the memorial-service controversy, which ended with the summit-meeting talks and Red-plot theories, is developing in manner similar to that four years ago, at the time of the high-level talks that witnessed the prime ministers of the North and South sitting down together for the first time since the division of the peninsula. After the high-level talks were over, the media took an opportunity for reflection with the theme, "Observation on the Reporting of the Unification Issue." At that time, one media scholar stressed the role of the media, citing the example of German unification: "1949-1989—Presse! Wo warst du?" This is what was written on a picket held by a resentful-looking woman, standing in a crowd, participating in a peaceful demonstration in East Germany. "1949-1989—Press, where were you?" How will our nation's media answer this protest?

Burma

Thai Deputy Foreign Minister Surin on Visit

Khin Nyunt Receives Surin

BK1710145094 Rangoon Radio Myanmar in Burmese 1330 GMT 17 Oct 94

[FBIS Translated Excerpt] Lieutenant General Khin Nyunt, secretary-1 of the State Law and Order Restoration Council [SLORC] of the Union of Myanmar [Burma], received the visiting Thai deputy foreign minister, Dr. Surin Phitsuwan, and his delegation at the Ministry of Defense's Dagon House at 1700 today. [passage omitted on donations presented for various projects]

MoU Signed on Friendship Bridge

BK1810051494 Rangoon Radio Myanmar in Burmese 1330 GMT 17 Oct 94

[FBIS Translated Excerpt] At the invitation of Deputy Construction Minister Colonel Aung San, a Thai delegation led by Deputy Foreign Minister Dr. Surin Phitsuwan arrived at Yangon [Rangoon] international Airport by special aircraft at 0800 today to attend the memorandum of understanding [MoU] signing ceremony for the Thai-Myanmar [Burma] Friendship Myawadi Bridge Construction. [passage omitted on visit to pagodas]

The visiting deputy minister and delegation later went to the People's Park restaurant and attended the MoU signing ceremony. At the ceremony, Deputy Construction Minister Col. Aung San and Dr. Surin Phitsuwan signed the MoU for the bridge construction and then exchanged gifts. Later, Col. Aung San hosted a luncheon in honor of the distinguished guests. [passage omitted on other visits]

The deputy minister and his entourage departed Yangon International Airport for Thailand by special aircraft at 1800.

Burmese Rebels Reported Eyeing Afghan Arms

BK1710081394 Bangkok BANGKOK POST in English 17 Oct 94 p 6

[FBIS Transcribed Text] Anti-Rangoon Burmese rebels are eyeing Peshawar—an arid Pakistani border town opposite Afghanistan—as a possible black market source of arms to support their war against the State Law and Order Restoration Council.

The rebels looked at this new option after a group of Muslim rebels from Middle East countries suggested to them two months ago that war weapons purchased at Peshawar's black markets are cheaper than those from Cambodia.

Peshawar city, close to the lawless Khyber Pass, is known as a major market for war weapons left over from the civil war in Afghanistan.

At present, most weapons used by Burmese insurgents are purchased from gun runners who smuggle them through Thailand from Cambodia. But crackdown campaigns by Thai authorities have threatened this supply, forcing up the profit-margin by as much as 100 per cent.

Foreign Muslims who stopped over in Thailand enroute to the Philippines after the annual Haj in Mecca said Burmese rebels have expressed an interest in acquiring war weapons and munitions from Peshawar "at friendship prices between fellow Muslims."

The visitors said a large number of Soviet and US made weapons are available in Peshawar. However, they said the question of how these weapons can be delivered to the Burmese and other Asian rebels still remained to be answered.

They said they did know how the weapons could be smuggled into Burma without the assistance of an international weapon smuggling racket. But the weapons can be made available to the Burmese rebels if a proper conduit can be arranged, the Muslims pilgrims said.

They also mentioned the possibility of supplying Muslim secessionists in Mindanao in the southern Philippines with weapons from the same source. Moro rebels in Mindanao also obtain war weapons from Cambodia.

They said the Soviet invasion of Afghanistan in 1979 and the counter-military operations supported by the United States' Central Intelligence Agency had resulted in a major influx of war weapons into that country.

Some of these weapons included Chinese made assault rifles, Italian-made Technovar anti-personnel mines, Swiss Oerlikon anti-aircraft guns and ammunition which was supplied to the Mujahideen resistance fighters in what was seen as the CIA's biggest undercover operation since the Vietnam War.

During 1983, 10,000 tons of weapons were transferred to Afghanistan via Pakistan. This figure rose to 65,000 tons in 1987.

Many of these weapons are available, especially at Dara Adamkhel township, near the city of Peshawar, on the Pakistani-Afghan border, they said.

Cambodia has long been the source of arms for Burmese rebel groups including the Karens, Mon, and Shan's Mong Tai Revolutionary Army of opium warlord Khun Sa.

Advanced weapons such as M-16 assault rifles, Chinese-made AK-47 rifles, M-79 grenade launchers, RPG rockets mortars, hand-grenades and even SAMs (Surface to Air Missiles), are still available at places along the Thai-Cambodian border, from Ubon Ratchathani to the coastal province of Trat.

The Burmese rebels can have an M-16 assault rifle delivered to them at the Thai-Burmese border for between 4,500-8,000 baht, depending on its condition. However, the same rifle would cost between 1,500-2,000 baht at the Thai-Cambodian border.

Brunei, Malaysia & Singapore

Malaysia

Further Reportage on Visit by Iranian President

Rafsanjani Speaks at 17 Oct Dinner

LD1810105694 Tehran IRNA in English 0921 GMT 18 Oct 94

[FBIS Transcribed Text] Kuala Lumpur, Oct. 18, IRNA—President Akbar Hashemi-Rafsanjani here Monday said that Iran as an Asian and Muslim country wishes for a new world for all nations and is opposed to any oppressive policy.

Speaking at a banquet hosted in his honor by Malaysian King Tuanku Ja'afar Monday evening, the president underlined the need for a united rank among Muslims at a time when the world of Islam is subject to attacks by enemies to isolate Islam, commit genocide and sow discord among Muslims in order to plunder their wealth.

He stressed that in addition to their scientific and cultural cooperation, exchange of expertise in joint venture and transfer of technology, Iran and Malaysia could have closer cooperation at international forums on the basis of joint religious and humanitarian values.

Underscoring commonalities between the two countries, Sultan Ja'afar in response said that Iran and Malaysia as members of the Organization of the Islamic Conference (OIC), believe in solidarity among Muslim nations as well as their progress in scientific and technological fields.

President Rafsanjani heading a high-ranking delegation arrived here Monday for a three-day visit on the last leg of his three-nation Southeast Asian tour.

Rafsanjani, Mahathir Hold Talks

BK1810083394 Kuala Lumpur Voice of Malaysia in English 0600 GMT 18 Oct 94

[FBIS Transcribed Text] Iranian President 'Ali Akbar Hashemi-Rafsanjani held talks with Prime Minister Datuk Sri Dr. Mahathir in Kuala Lumpur today. Foreign Minister Datuk Abdullah Ahmad Badawi and his Iranian counterpart 'Ali Akbar Velayati were present at the one-hour meeting. Rafsanjani arrived yesterday with a 100-member delegation for a three-day official visit.

Speaking at a state banquet in honor of the visiting president, the king Tuanku Ja'afar said Malaysia would continue to maintain close and active cooperation with the Islamic Republic of Iran. Malaysia believes the cooperation would contribute towards the solidarity of the Muslims and international peace. Malaysia appreciated the cooperation and support given by Iran in international issues in which the two countries have common interest. The king described the existing warm interaction between Malaysia and Iran as reflecting the government's strong commitment and support for further expansion of relations, particularly in the economic field.

Iran's huge markets, its reconstruction projects and the diversification of its economy with emphasis on exports of nonoil products were factors that can expand the future commercial and industrial relations of both countries.

Enhanced Economic Ties Discussed

BK1810100294 Kuala Lumpur Voice of Malaysia in English 0800 GMT 18 Oct 94

[FBIS Transcribed Text] Iranian President 'Ali Akbar Hashemi-Rafsanjani held talks with Prime Minister Datuk Sri Dr. Mahathir in Kuala Lumpur today. Foreign Minister Datuk Abdullah Ahmad Badawi, who attended the meeting, told newsmen that the two leaders agreed to step up cooperation in the economic and investment fields between the two countries. He added that Malaysia also invited Iran to participate in infrastructure projects in the country, and in turn Malaysia hoped to be given similar opportunities in Iran. President Rafsanjani arrived in Kuala Lumpur yesterday with a 100-member delegation for a three-day official visit.

Foreign Ministers Hold Economic Talks

LD1810113394 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 1030 GMT 18 Oct 94

[FBIS Translated Text] Foreign Minister 'Ali Akbar Velayati, who is accompanying President Hashemi-Rafsanjani on his visit to Malaysia, held a meeting with Malaysian Foreign Minister Ahmad Badawi, at which they discussed cooperation between the two countries, as well as cooperation between ECO [Economic Cooperation Organization] and ASEAN. Our correspondent has sent us this report:

[Unidentified correspondent] In the meeting, the Malaysian foreign minister proposed that in the future ECO and ASEAN should hold a joint meeting. Mr. Velayati stated: The Islamic Republic of Iran attaches special importance to cooperation with the ASEAN countries, and particularly with Malaysia. These ties, undoubtely, will expand further in future.

In connection with Bosnia-Herzegovina, our country's foreign minister said: All the Islamic countries are in favor of lifting the arms embargo against Bosnia by the UN Security Council. We hope to see the issue resolved speedily. At the meeting, the latest developments in the Persian Gulf and Iraq were discussed.

Cambodia

Assembly Official on Release of 'Coup Leaders'

BK1510154494 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 15 Oct 94

[FBIS Translated Text] Om Rasadi, chairman of the National Assembly [NA] Foreign Affairs and International Cooperation and Information and Press Committee, said on the night of 12 October, a day before he led a NA delegation to Thailand, that to his knowledge the nine Thais involved in the failed coup attempt in Cambodia in early July would be released by the end of October. He added: According to my information, the investigation into the nine Thais' involvement will be completed by the end of October, meaning there will be a peaceful release then. He stressed, however: This is my own opinion. I am not speaking on behalf of the government, in any case. The release is within the jurisdiction of the tribunal.

Om Rasadi also said he made the statement because he thought that there was almost a 98 percent chance that the abortive coup leaders would all be freed. He added that he would offer this statement as a response to questions raised by the Thai National Assembly or key Thai leaders while he is in Thailand from 13 to 16 October.

During its visit, the delegation will listen to Thai proposals but not be able to make any promises or solve any problems on behalf of the Royal Government of Cambodia because all matters are within the authority of the government.

Sar Kheng Interviewed on Secret Prison, Police

BK1810085994 Phnom Penh THE CAMBODIA DAILY in English 7-9 Oct 94 pp 1, 2

[FBIS Transcribed Excerpt] Co-Minister of Interior Sar Kheng, long-considered to be a dominant force in the Cambodian People's Party, has been playing an increasingly visible role in dealing with some of the most controversial issues facing the country's coalition government. The minister spoke at length about some of these issues with The Cambodia Daily's Barton Biggs and Uk Vora in his office this week.

THE CAMBODIA DAILY (CD): You may not be aware of it, your excellency, but your latest comments on the secret prisons near Battambang—specifically, on how recently they may have been operating—have touched off something of a battle in the English-language press. Could you clear the record on this issue.

Sar Kheng (SK): Now the matter has been investigated two times by a mixed special committee, which includes the representative of the Royal Government, joined by the United Nations human rights representatives in Cambodia...

After these investigations, we can say there that now there is no secret prison in Chheu Khmau. Whether there was in previous years, I don't know. I did not determine there was a prison there in the last two or three months, and I did not determine that there was not a prison there in the last two or three months. I am still investigating this.

CD: When do you think that your investigation will be finished?

SK: I can say that this ploblem will not be finished in one or two days, but neither will I delay until one or two years. We will try the best to solve the problem. This problem can't be finished tomorrow or the day after tomorrow. Suppose that there is the prison—the people who operated it will try to hide. We who do the investigation can't limit the time to finish, but we are willing to finish as soon as possible...

I don't know which newspaper is right and which one is wrong because as I just mentioned the two investigations have indicated that the prison has not been found yet, but we don't deny its existence 100 percent because there have been complaints.

CD: The former governor of Svay Rieng province, Hok Langdi, has now been appointed to be chief of police in the Ministry of Interior. Does this signal a change in the role of the ministry's police force?

SK: There are two general police departments. One is the administrative general staff which controls the administration from the ministry to provinces, districts and communes. Another is the general staff of National Police—which Mr. Hok Langdi is now in charge of—which heads all police in Cambodia. But the position of chief of general staff in Ministry of Interior is different from that position in the Ministry of National Defense. Chief of general staff of the Army is more powerful than chief of general staff of National Police. In the Army, he directly orders the armed forces, while the minister only helps decide principle policies. In the Ministry of Interior, the minister commands the police forces.

CD: What was the reason for the change?

SK: It was the need of the Royal Government. After the Royal Government was formed, this system was formed in Ministry of Interior, but there was no person who occupied this position. He did not replace anyone. [passage omitted]

Reporters Concerned Over Government Censorship

BK1710133394 Phnom Penh THE CAMBODIA DAILY in English 14-16 Oct 94 p 7

[Report by Robin McDowell]

[FBIS Transcribed Text] An atmosphere of self-censorship is pervading the local media, the president of the Khmer Journalists Association said yesterday.

"Many papers don't write the way they used to," Pin Samkhon said at a small gathering of journalists, editors and media experts at the Foreign Correspondents Club (FCC) yesterday.

Following the killing of Nun Chan—which many believe to have been linked to the government—politicians have done little to assure journalists that they will be protected against such occurrences in the future. As result, the rift between the government and the media is growing, Pin Samkhon and others warned.

"(The editor's death) has had a chilling effect," said Kevin Delaney, who was ABC's Saigon Bureau chief during the Vietnam War. "Regardless of how it came about, the government needs to assure that there will be no retribution against journalists for doing their job."

Within the next two weeks, Pin Samkhon plans to issue translations of local articles so that the western media can monitor the way the Cambodian papers are covering news, he said.

A front page article appearing in the local paper, the MORNING NEWS October 15, said that it has been forced to publish lies.

"In journalism those who print lies are less guilty than those who print truths," the article said.

The paper's editor was arrested and imprisoned earlier this year for his reports on the failed coup attempt.

Several journalists expressed concern yesterday about a perception that the government has been "blocking the news."

"We have been put in a position in which it is very difficult for us to find information before making reports or analysis," one local journalist said.

One way to overcome this obstacle is to write articles which outline problems that journalists face in gathering information, said Bernard Krisher, the publisher of the Cambodia Daily and the chairman of Japan Relief for Cambodia, which sponsored the event.

IBC Denies Receiving Threats from Government

BK1710122894 Phnom Penh THE CAMBODIA DAILY in English 12 Oct 94 p 6

[Report by Lor Chandara]

[FBIS Transcribed Text] Allegations that a local television station decided to stop covering controversial news subjects because it was threatened by the government are still being investigated, the Chairman of the Human Rights Committee of the National Assembly said.

Kem Sokha, however, said it does not appear any direct threats were made to the International Broadcasting Corporation (IBC). Members of the human rights committee have visited the television station's offices, he said, but the company denied receiving threats.

IBC Chief of News and Editor Prum Kim said yesterday that the station decided to stop broadcasting shows critical of the government to avoid "difficult situations" in the future.

"We have been told by several (government) officials that we should be cautious about our broadcasts, but we have not been threatened," he said.

He also said he would continue to broadcast NGO [nongovernmental] events—despite a September 19 announcement that the station would no longer cover all NGO events—as long as the programs were not overtly critical of the government.

Recently, the station has started to discuss its broadcasts with Ministry of Information spokesman Sieng LaPresse before airing the programs, Prum Kim added.

Kem Sokha expressed concern that, among other things, censorship of controversial programming would hurt the news station's ability to run a competitive operation.

"If IBC only broadcasts news that is supportive of the government like TVK (TV Kampuchea), they will attract a limited audience," Kem Sokha said.

"It does not matter if the government threatened or simply suggested to IBC that it should stop broadcasting critical shows," Kem Sokha added. "The consequences are the same."

Columnist Rejects Criticism of Immigration Law

BK1710113194 Phnom Penh CAMBODIA TIMES in English 9-15 Oct 94 p 2

[From the "Comment" column: "Interference in Internal Affairs"]

[FBIS Transcribed Text] The immigration law has taken effect. His Majesty Norodom Sihanouk has consented for Acting Head of State Chea Sim to sign and promulgate the law.

The interesting aspect about this is the worries of external forces. This is an internal law meant to safeguard this nation, its peace and prosperity and its people.

Vietnamese concern, no matter how legitimate, should be more diplomatic in nature and should be addressed through diplomatic means and not through the media.

The international organizations, particularly human rights organizations, should also understand the sensitivities of the local people and the Royal Government before jumping to the defense of supposedly helpless people. This nation and its law makers know what is best for this nation. After all, they have survived more than four regimes in the last two decades or so.

They should have the right to decide their own fate, albeit with much needed foreign assistance.

On the subject of intervention, it is sad and at the same time highly amusing that the Thai Government spokesman, Aphisit Wetchachiwa has indirectly mentioned that this nation is ungrateful for Thai assistance and contribution toward the ending of the internal conflict here.

This nation is eternally grateful to the international assistance granted toward the Paris Peace Accords in 1991 and subsequent to that which saw more that $2 billion being spent here. Of that, there is no doubt. Neighboring countries should not question the sincerity of this nation nor deem it ungrateful.

Just because help has been rendered does not mean that foreign nationals from donor countries can commit criminal breach here and get away absolutely free. Though the wheel of justice is turning slow for the detained Thais, the fact that five of them have already been released speaks of this nation's sincerity and fairness.

After all, we could have detained all the 14 Thais indefinitely for their alleged involvement in the failed July coup. But we choose to free some of them when investigations cleared them of involvement.

We, or rather the international community, some of them at least, keep forgetting that this nation is only about a year into its democracy stage and the Royal Government is trying its best to put effective laws into place.

Given this scenario, the wheel of justice might move slowly, but it nevertheless is moving. Patience and resilience is needed to overcome this nation's multitude of problems. The international community should assist and not put undue pressure on the Government.

Give us a break and we will show the world what we are capable of.

Khmer Rouge Commander, Troops Reportedly Defect

BK1610133794 Hong Kong AFP in English 0906 GMT 16 Oct 94

[FBIS Transcribed Text] Sihanoukville, Cambodia Oct 16 (AFP)—A Khmer Rouge commander and about 100 of his fighters who participated in the July kidnapping of three Westerners have defected to the government, General Nhoe Bunchhai said Sunday. Nhoe Bunchhai, deputy chief of general staff, claimed that guerrilla Commander Rin, his fighters and 36 of their familes surrendered late Saturday. The general spoke to AFP at a security seminar in this southern port and resort town, which is about two hours drive from the camp where the hostages are being held.

Co-Defence Ministers Tie Banh and Tea Chamrath and Deputy Information Minister Khieu Kanharit backed the general's claim.

"Now Rin and all his supporters have defected and there are only around 40 guerrillas left with Pet," Nhoe Bunchhai said. Pet is the most senior rebel commander in the area.

A diplomatic source, however, threw doubt on Nhoe Bunchhai's estimate on the number of guerrillas that remained under Pet's command. The envoy said there were reports early last month of some 150 guerrillas from adjacent Kompong Speu province breaking through government lines to resupply and reinforce Pet's base.

The government plans to debrief the defecting Khmer Rouge troops and use their local knowledge and guerrilla skills to try to secure the release of the three hostages, the general said.

Chief of Staff General Ke Kimyan and senior officers went to Kampot Friday to check out "the real situation," General Aon Kamsot said. But a high-ranking officer said the defectors failed to materialise Friday because their plans had been made public and they were worried about their security.

Information Minister Ieng Muli, however, had said that Rin and many of his soldiers deserted late Friday. The minister could not be reached for clarification Sunday.

A Western diplomatic source said he was sceptical about the mass defection and that his embassy had received no official news on the event. But he added Nhoe Bunchhai's statement added credibility to the claim.

Commander Rin was responsible for carrying out the bloody train ambush in which the three western backpackers were seized July 26. But Pet later took charge of the three, identified as Frenchman Jean-Michel Braquet, 27, Briton Mark Slater, 28 and Australian David Wilson, 29.

Pet initially asked for some 150,000 US dollars in ransom. The Khmer Rouge leadership, however, later demanded that the government lift its ban on the rebel group and that western powers cease all military aid to Phnom Penh. Rejecting those conditions, the government attempted to lay siege to the Khmer Rouge bases.

Senior officials apparently hoped that a combination of military pressure, negotiations and perhaps even financial incentives could force the guerrillas to release the three. A divide and rule strategy now also appears to have been used with success.

Nhoe Bunchhai said he believed the three hostages were still being detained at Pet's misty, malaria-prone jungle base on Phnom Voar (Vine Mountain). But there has been no concrete information about the three for several weeks.

Phnom Penh General Reportedly Killed in Ambush

BK1510154894 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 15 Oct 94

[FBIS Translated Text] On 6 October, the National Army of Democratic Kampuchea [NADK], in cooperation with the people, intercepted a group of invading forces of the two-headed government travelling from the Preah Vihear provincial town to the Chhep District seat. As a result, nine enemy soldiers were killed or wounded when our land mines exploded or when they stepped on our planted punji stakes. Major General Run Vanna, commander of the 1st Military Region in Preah Vihear Province, was also killed in the ambush.

Following the death of the cruel commander, all of the 70 two-headed government soldiers from Stung Treng, Kratie, and Ratanakiri Provinces stationed at the Sangha base deserted and returned home on 11 October.

KR Radio Calls for Village, Commune Revolt

BK1810094394 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 17 Oct 94

["Communique" of the Secretariat of the Provisional Government of National Union and National Salvation Cabinet dated 17 October; place not given—read by announcer]

[FBIS Translated Text] The cabinet of the Provisional Government of National Union and National Salvation [PGNUNS] held its weekly working session on Monday 17 October under the chairmanship of His Excellency Khieu Samphan, prime minister and minister of the National Army, and with the participation of all members.

The cabinet heard reports presented by each ministry, and with a high sense of responsibility thoroughly discussed all its aspects. In the light of the discussion and based on the current concrete situation, the cabinet clearly observed that the four million ethnic Vietnamese and the civilian administrations in all sectors, both overt and secret, set up by communist Vietnam in the villages and communes are the principal, and most important weapons used by communist Vietnam in its aggressive and genocidal war against Cambodia. The villainous Western alliance have also joined communist Vietnam in using these two weapons to continue inflaming the war and undermining national reconciliation and peace so that they can scramble for interests in this country.

1. About the four million ethnic Vietnamese:

In the past, when aggressor communist Vietnam's war was raging from 1978 to 1991, communist Vietnam used ethnic Vietnamese as an all-purpose auxiliary force to help its war of aggression. Since 1991, communist Vietnam has changed the form of warfare from all-out military to a combined military-demographic one. It has used the four million ethnic Vietnamese as a weapon to continue with its strategy to obliterate and exterminate the Cambodian race. Of course, communist Vietnam has also used some tactics as dictated by new developments only to attain its strategic goal, that is, to swallow Cambodia and turn it into another Kampuchea Kraom.

Communist Vietnam and the villainous Western alliance have used the four million ethnic Vietnamese as a force to implement the policy of causing an artificial famine in Cambodia, especially in the countryside. They have deprived the peasants of all means and virtually everything and then bought them off and forced them to become soldiers and militiamen to fight the Cambodian nation and people and especially to kill the peasants. Their continued massacre of the peasants so that they can suck the blood and chew the bones of the Cambodian nation and people at will till the Cambodian race is completely wiped out is an extremely criminal policy.

At the same time, they have used the four million ethnic Vietnamese as a force to execute the policy of appeasing the Cambodian society and breaking the Cambodia's national soul by all means and ways. These ethnic Vietnamese have created an atmosphere of terror and insecurity, rampantly and constantly committing thefts and robberies all over the country. They have spread tens and even hundreds of thousands of shameless prostitutes to destroy the nation's clean traditions, mores, and customs and to intoxicate and pollute the Cambodian society for generations to come. In the cities, these ethnic Vietnamese have been controlling and lording over Cambodians. On the one hand, they have their Dac Cong military and police forces, both overt and secret, for persecuting, suppressing, arresting, and gagging the people and students and intimidating the press, forbidding them to say anything or conduct any activity against the Vietnamese. On the other hand, they control and take up all types of employment, from handicrafts to office jobs. Hundreds of thousands of Cambodian graduates have found themselves to be jobless, hopeless, and without a future. Their parents are destitute and so are they. The social situation has plunged to the bottom because of these four million ethnic Vietnamese.

The swallowing of Cambodia by these four million ethnic Vietnamese is a real problem. It very seriously endangers the survival of the Cambodian nation, people, and race. Every Cambodian is directly affected and injured permanently by this problem. The entire Cambodian nation and people together with the PGNUNS repeatedly demand that this issue of four million ethnic Vietnamese be immediately and correctly resolved. We do not ask for anything beyond the framework of the international norms and practices that other countries, such as Australia, Britain, and Germany, have been applying vis-a-vis the illegal Vietnamese immigrants in their countries. Though they are large in size and economically rich, and have strong, centuries-old national institutions, these countries are still worried about their own security and that of their people, and they have repatriated these ethnic Vietnamese.

Cambodia is a small and poor country and the loss of Kampuchea Kraom to the Vietnamese annexationist is still fresh in its memory. Communist Vietnam has been invading and occupying the country for more than 15 years and has set up administrations in all sectors and is trying to exterminate the Cambodian race by all means and methods. All this makes it even more imperative for Cambodia to resolve the issue of the four million ethnic Vietnamese who have come to Cambodia in line with the policy of invading and annexing Cambodia, if it wants to save and perpetuate itself.

2. About the civilian administrations in all sectors set up both overtly and secretly by communist Vietnam in the villages and communes:

The civilian administrations in all village and commune sectors have been 100 percent set up by communist Vietnam since 1979. Communist Vietnam has used these civilian administrations as a tool of its war of aggression and genocide against Cambodia for the past 15 years. The villainous Western alliance and the two-headed government have also colluded with communist Vietnam in using these civilian administrations to continue inflaming the war against the Cambodian nation and people till today.

It is these administrations that have repeatedly conducted troop, militia, and K-5 corvee conscriptions, incessantly sending the people to fight and die in huge numbers. It is these civilian administrations that have summoned the invading troops to continually torch the homes and villages of the people. It is these administrations that have persecuted and squeezed a myriad of extortionist taxes from the people. It is these administrations that have served as a proxy for the four million ethnic Vietnamese to lay claim on, grab, and plunder our people's land, paddies, orchards, rivers, and lakes and sow all sorts of vices in the countryside.

In sum, the village and commune civilian administrations in all sectors of communist Vietnam serve both as the base and as the local satans permanently assigned to the villages and communes to be used by communist Vietnam and the alliance for executing all kinds of their aggressive policy and serving their military, political, economic, propaganda-psychological, pacification, and corruption and perversion war to poison the Cambodian society, sabotage national reconciliation and peace, and completely wipe out the Cambodian race.

Our Cambodian nation and people, especially the peasants in the countryside, understand and see this problem because they have suffered from it for the past more than 15 years. Consequently, they have joined the National Army of Democratic Kampuchea to conduct a people's war to smash, dissolve, and sweep away communist Vietnam's civilian administrations in all sectors, both overt and secret, one after another from their villages and communes to protect themselves and save the nation.

In many places, villages and communes have become very stable after its inhabitants jointly worked to smash, dissolve, and sweep away the administrations of communist Vietnam, both military and civilian in all sectors, and both overt and secret. The local inhabitants enjoy the opportunity to grow rice and plant crops with which to feed themselves. Those in such villages and communes are not afraid to rise up and reestablish national administrations to control the villages and communes and defend their land, paddies, orchards, rivers, lakes, fish, and forests.

The PGNUNS fully and unreservedly supports the people's war activities to smash and sweep away communist Vietnam's civilian administrations, both overt and secret, in the villages and communes. In so doing we will be able to knock over and root out the forces of communist Vietnam, the two-headed government, and the alliance. Only by striving to do so can all of us save and perpetuate our Cambodian nation and race.

Indonesia

Lao President Arrives for State Visit 17 Oct

BK1810064294 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 17 Oct 94

[FBIS Translated Text] The president of the Lao People's Democratic Republic, Nouhak Phoumsavan, and his wife arrived in Jakarta this afternoon. They were accorded a military ceremonial welcome with a 21-gun salute by President and Mrs. Suharto at the Merdeka Presidential Palace ground in Jakarta. After the ceremony, President Nouhak Phoumsavan and his wife were led to the Palace where they were introduced to senior civil servants and high-ranking military officials.

After accompanying President and Mrs. Suharto in sending the Lao guests to the State Guest House, Minister and State Secretary Murdiono told journalists that Indonesia and Laos will continue efforts to further improve friendly ties which had been established for a long time.

[Begin Murdiono recording] President Suharto said Indonesia is willing to share its experience in implementing its national development program with Laos and is opening its doors to other developing countries to come and learn from its experience in nation building. Apart from sharing the success of its national development program, Indonesia will not hesitate to reveal the difficulties it had faced in national development. The

Lao president also expressed his deep gratitude to Indonesia for the friendly and warm gestures shown to him even though he has just been in the country for a short while.

Politically we have no problem with Laos at all. I think Laos is more interested in improving economic ties with us. I also noticed that Laos and Indonesia have many common views on several issues. [end recording]

Apart from Jakarta, the Lao guests are scheduled to visit the Asia-Africa Museum and the Nusantara Aircraft Industry (IPTN) plant in Bandung and Denpasar, Bali.

$6.4 Million Loan Agreement Signed With Belgium

BK1810085194 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 18 Oct 94

[FBIS Translated Text] Indonesia and Belgium have signed a memorandum of understanding [MOU] on 200-million Belgian franc loan or about U.S.$6.4 million. The MOU was signed in Jakarta yesterday by Foreign Minister Ali Alatas and Belgian Foreign Trade Minister Robert Urbain. The interest-free loan will be repaid within a 20-year period with a 10-year extended grace period. It will be used for the purchase of railway equipment and electronic signalling system for the Ceribon-Keroya-Yogyakarta and Bandung- Keroya railway networks.

The loan will also be used for the development of four diesel- powered electricity generating plants, each with a one-Megawatt capacity. The diesel-powered electricity generating plants will be constructed in Eastern Indonesia, that is, in Poso and Luwuk in Central Sulawesi, Saosiu in Maluku and Ende in East Nusatenggara.

Editorial Views Sutrisno Visit, Australia Ties

BK1610081594 Jakarta KOMPAS in Indonesian 26 Sep 94 p 4

[Editorial: "Vice President Sutrisno's Visit Strengthens Indonesian-Australian Relations"]

[FBIS Translated Text] Vice President Try Sutrisno concluded his working visit to Australia last Friday. We feel relieved whenever high-ranking Indonesian officials or their Australian counterparts visit each other's country. First, we consider that visits by these officials are equally important as the visits made by their ASEAN counterparts.

The visit was full of implications if we observe the itinerary closely. In keeping with Indonesian interests, Sutrisno presented numerous views, not only on regional security but also in keeping with a more harmonious co-existence.

Even though President Suharto was unable to reciprocate the visit from the leader of the Australian Government, we hope that the visit by the vice president has further strengthened and gained Australia's confidence with regard to Indonesia's sincere desire to live peacefully with its neighbors, including Australia.

Apart from bringing mutual benefits in bilateral relations to a higher level, the vice president's visit also coincided with the Asia-Pacific conference on regional security in 2001.

In this connection, we look forward to studying the position of Indonesian-Australian relations within the current dynamic reforms taking place in this region and the awareness of the need to further enhance bilateral relations.

Speaking at the conference, Prime Minister Paul Keating noted the declining role of the United States in the region and the desire by Japan and China to play more important roles in Asia-Pacific regional and political security.

The Asia-Pacific region's situation during the post-Cold War era has remained unstable because Japan has its own problems—probably due to the historical trauma felt by the Asia-Pacific countries—and China's intentions remain questionable.

According to Keating, Indonesia and Australia have comparable strategies. We feel that these interests are related to the reforms and dynamism we mentioned earlier.

As such, it was hoped that bilateral defense ties could be strengthened further and that bilateral cooperation will benefit security—particularly toward increasing stability in this region in general.

We have repeatedly heard Keating make that statement. If the statement proves convincing, then the two countries sincerely hope for such interests to materialize.

If that be the case, why should the two countries harbor suspicions of one another during the process of further enhancing bilateral relations? Indonesia considered Australia to be taking up a new issue when Foreign Minister Gareth Evans highlighted the East Timor situation at the annual Indonesia-Australia forum in August. When speaking during the vice president's visit last week, however, Evans reiterated that the East Timor issue is only a trivial matter which will not affect relations between the two countries.

It is difficult for us to doubt Australia's sincerity when its government officials have been consistent in their efforts to further enhance relations with Indonesia. We must not immediately consider any opinion on any incident which happens in our country as a change in attitude, or worse still, consider it to be meddling in our domestic affairs.

Our relations with Australia are becoming more mature with our country's growing maturity. Our maturity can be witnessed through our openness in accepting criticism and differences of opinions. Apart from this, we can distinguish between essential, substantial and fictitious issues. Most importantly, we should not be easily overwhelmed by our own emotions.

We are confident that Sutrisno's visit will be able to eliminate all existing skepticism and further bolster the existing situation. As such, we hope that we will be able to savor and benefit from our mature relations with Australia.

Furthermore, it is our mutual responsibility to further improve what has been developed by the leaders of the two countries. Let us pave a smoother way for better co-existence through the economic agreements which form the lifeline of the two countries.

We hope that a better attitude can be developed further so that we can continue to develop, stand alongside with the other progressive nations and reap more benefits, for example, by achieving more progress through Australia's excellence in scientific and technological fields.

Each party should take full advantage of the existing relations to provide benefits for the other side which could lead to reducing that side's fundamental problems. We should always remember that we can only develop, grow, and lead more prosperous lives through more positive personal relations and our virtuous actions.

Fretilin Member Comments on E. Timor Issue

BR1710140394 Lisbon DIARIO DE NOTICIAS in Portuguese 13 Oct 94 p 11

[Article by Mari Alkatiri, executive member of the Revolutionary Front for an Independent East Timor: "East Timor: The Policy of Small Steps"]

[FBIS Translated Text] In April 1993, when a member of the delegation from the East Timor resistance movement—who was in Rome to accompany the second round of talks between the foreign trade ministers of Portugal and Indonesia—was received by the assistant of the UN secretary general and advanced for the first time a proposal to hold talks, he did so with the conviction that he was releasing small ideas, which, naturally would result in major events. And, a day later, still in Rome, when the entire East Timor delegation was received by Portugal's Foreign Trade Minister Durao Barroso and he decided to repeat the proposal, which, despite the fact that he caught his colleagues by surprise, was immediately supported and thus created consensus within the leadership of the resistance, a major—albeit tenuous and unpredictable—step was taken in breaking out of the impasse in the negotiating process on East Timor. The success of this process depended to a great extent on how far Butrus-Ghali took the idea on board, thus giving it a new paternity.

Today, nobody could have any doubt that this step has actually been taken, thus opening up new prospects for finding a solution to the East Timor problem. [Indonesian Foreign Minister] Ali Alatas received a delegation from the resistance movement, however much he would have liked to empty the meeting of any significance by calling it a "personal meeting."

The important thing now is that the resistance is able to flesh out new ideas capable of making this victory irreversible. These new ideas must show creativity and a sense of this opportunity for the Timor resistance leadership. However, being creative also means being able to discern and reflect on the most effective working methods: The need for strong political marketing geared toward global ideas must be separated from specific actions to provide a catalyst to the process which requires—above all—an in-depth perception of the maneuvering and subtleties of Indonesia. It is also important that they are able to assess the importance of each step taken and find means, tools, and mechanisms to consolidate the process and make the move to the next stage.

While the fact that the meeting between the mandated resistance delegation and Alatas was not held at UN headquarters in New York could seem to indicate that it is not very significant, nobody could deny the reality that this represents the achievement of what was said in the statement made by the UN secretary general on 6 May at the United Nations seat in Geneva, after another round of talks—under the United Nations' auspices—between the foreign trade ministers of Portugal and Indonesia. Consequently, the auspices of the UN secretary general, initiatives which they are taking virtually in the form of outright mediation, give this meeting the character of a meeting between belligerents in fulfillment of that which is recorded in the UN Charter and in other international rules.

However, Indonesia continues to lay its bombs. The appearance in New York of some members of the emigrant faction (emigrant, not exile) of the "London Group" are a good illustration of the opt-outs which Indonesia wants to keep alive. To do this, it is necessary to develop and enhance an image of division among the Timor resistors, as well as an image of the danger of a new civil war, as a basis to once again dash the expectations of the Maubere people. It is also necessary to develop the Muzorewas and Sitholes of East Timor so that in the final analysis we head for a Rhodesia-type solution, keeping the groups domesticated by Jakarta in power and thus slowing down the process of emancipating East Timor.

To maintain its aggression and occupation of East Timor, Indonesia is creating events and waving flags of danger and instability. With anticommunist slogans that are empty of any content, Jakarta is looking for a new ideological and social foundation on which to base its expansionist policy: It raises the specter of religious conflict, to try and remove the growing support which Muslim sectors in Indonesia have given to East Timor and then prepare for an Islamic crusade.

Consequently, it is necessary for the various components of the resistance to be able to find institutional forms of unity in terms of discussion and action capable of generating and managing a new dynamic to be given to the entire process. It is also necessary for Portugal, as an administrative power, not to continue confusing—some 20 years on—the resistance and its legitimate representatives with groups of Timorans who opt to take the gentle path toward Indonesia, within a complex world to drown its sorrows and frustrations.

In the meantime, this does not relieve Fretilin [Revolutionary Front for an Independent East Timor] or the UDT [Democratic Union of Timor] of the responsibility to leave their doors open for the political rehabilitation of those who, as victims of the violence in the unending fight and the exile from the homeland, made the voice of incredulity and nostalgia heard louder and were transformed into Indonesia's docile instruments, or also because, lost in space and time, they continued to encounter—in the old ways of conceiving ideas—resistance to their proposals for a solution to the East Timor issue. It is up to the resistance movement as a whole to take concrete steps to reinforce unity, thus creating their own forums for free debate and for producing ideas.

It is therefore urgent that progress be made toward taking concrete actions, that ideas be systematized, that concrete steps be taken which lead to a reinforcement of East Timor's institutions, and that the inhabitants of East Timor actually make an entrance as the most creative, tolerant, and dynamic party in the entire process.

Suharto Remarks on Detention of Labor Activist

BK1510152694 Jakarta ANTARA in Indonesian 0809 GMT 15 Oct 94

[FBIS Translated Excerpt] President Suharto said that Mokhtar Pakpahan, who claimed to be the leader of the SBSI [labor union], was detained for criminal offenses and not involvement in labor rights issues. He was detained because of the crimes that he had committed.

Following his meeting with Suharto in Jakarta today, Manpower Minister Abdul Latief told newsmen: "Mokhtar Pakpahan was arrested for the crimes that he had committed, and he used the workers to his own advantage."

Abdul Latief said that he reported to the head of state on the investigations into the case. He said several foreign labor organizations had inquired about the Mokhtar case. [passage omitted]

Abdul Latief said the foreign labor organizations did not have any specific objective when they asked about Mokhtar's detention, and they did not call for his release.

Among the organizations asking about Mokhtar's detention were groups from Australia, New Zealand, the Netherlands, and the U.S.-based International Confederation of Free Trade Unions. [passage omitted]

Laos

Party Office Delegation Returns From PRC Visit

BK1410140394 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 14 Oct 94

[FBIS Translated Text] A delegation of the office of the Lao People's Revolutionary Party [LPRP] Central Committee led by office chief Thongsavat Khaiphamphithoun returned to Vientiane from the PRC at noon yesterday after a seven-day visit.

During the visit, the party Central Committee's office delegation met and exchanged experiences with a delegation of the CPC Central Committee's office. Following the meeting, the two sides unanimously agreed to further promote and expand ever more fruitfully their longstanding relations and cooperation. The delegation also visited economic and cultural establishments in Sichuan Province and in Kunming District, Yunnan Province. The delegation was accorded a warm welcome everywhere it visited.

This visit to the PRC by the LPRP Central Committee office has brought about a further strengthening of relations and cooperation between the party Central Committee offices of the two countries. It has also significantly contributed to increasingly promoting and expanding the friendly relations and cooperation between the parties, Governments, and peoples of Laos and China.

The delegation was welcomed at Wattai Airport by Seuam Sombounkhan, deputy chief of the party Central Committee office; and Li Jiazhong, ambassador extraordinary and plenipotentiary of the PRC to Laos, along with a number of cadres concerned.

Deputy Prime Minister Returns From Singapore

BK1710113094 Vientiane KPL in English 0908 GMT 17 Oct 94

[FBIS Transcribed Text] Vientiane, October 17 (KPL)—A Lao delegation led by Vice Premier and Chairman of the Committee for Planning and Cooperation, Khamphoui Keoboualapha, returned home on October 15 from Singapore after participating in the third Europe-Eastern Asian Economic Summit held in Singapore between October 12 to 14.

The three-day summit organized by the Switzerland-based World Economic Forum in partnership with the Singapore Economic Development Board gathered leaders and major businessmen from 14 countries.

The summit discussed the improvement of cooperation, trade and investment between the two continents—Europe and Asia. Besides, the sub-regional cooperation, especially the Mekong river basin was also brought into discussion.

The delegation achieved good success in creating good understanding of Lao government's policy to the participants, and pointing out to them the significant role and the geographical feature of Laos as the centre in the sub-region, suitable for investment.

National Assembly Fifth Session Closes 14 Oct

BK1510132994 Vientiane KPL in English 0902 GMT 15 Oct 94

[FBIS Transcribed Text] Vientiane, October 15 (KPL)—The fifth ordinary session of the National Assembly (third legislature) opening since September 26 closed yesterday.

The closing ceremony chaired by its president, Saman Vi-gnaket, who is also member of the Political Bureau of the Lao People's Revolutionary Party Central Committee (LPRP CC), was attended by Nouhak Phoumsavan, LPRP CC politburo member and president of the Republic, LPRP politburo members, 82 members of the National Assembly, and some dignitaries.

Chaleun Yiapaoheu, member of the Standing Committee of the National Assembly and chairman of the Secretariat Commission, read the resolution of the fifth ordinary session to the meeting, followed by the closing speech by the National Assembly president.

Following the deliberations, the session approved the report on the execution of the 1993-1994 Socioeconomic Development Plan and the guideline of the 1993-1994 Socioeconomic Development Plan presented by the government, the report on the execution of the state budget for the 1993-1994 fiscal year and the State Budget Plan for the 1994-1995 fiscal year presented by the minister of finance, the report on the 1994's operation of the court and its 1995 action plan presented by the chairman of the Supreme Court, the report on the 1994's operation of the Prosecution Organisation and its 1995's action plan presented by the public prosecutor general, the report on the execution of the Constitution and laws in 1994 and the action plan of the Ministry of Justice presented by its minister, and the report on the observation and execution of the Constitution and laws in 1994 by the security forces and their action plan for 1995 presented by the minister of interior.

Also approved in this session were the report on the activities of the National Assembly during the 1993-1994 period and its guideline, action plan and programs for the 1994-1995 and 1995-1998 periods.

The fifth ordinary session of the third National Assembly also approved two new laws on the guarantee of contract execution and bankruptcy of enterprises.

The resolution of the session praised the Lao ethnic people of all social strata and all walks of life in executing their rights and fulfilling their commitments according to the laws in the cause of national defense and construction. The praise also goes to foreign residents in the Lao PDR [People's Democratic Republic] for the execution of their rights and commitments according to the laws of the country of residence.

Philippines

Cooperation Agreement Signed With Saudi Arabia

BK1810083194 Quezon City Radio Filipinas in English 0230 GMT 18 Oct 94

[FBIS Transcribed Text] The Philippines and Saudi Arabia signed an agreement on economic, trade, investment, and technical cooperation. President Ramos witnessed the signing ceremony held at the Jeddah Conference Palace function room. The signatories included Foreign Affairs Secretary Roberto Romulo and the Saudi Arabian Foreign Minister Prince Sa'ud al-Faysal. A memorandum of understanding was also signed.

'Door to Peace' To Remain Open to Communists

BK1810061794 Quezon City Radio Filipinas in English 0230 GMT 18 Oct 94

[FBIS Transcribed Text] President Fidel V. Ramos on Sunday [16 October] said the government would keep the door to peace opened and try to bring the NDF [National Democratic Front] back to the negotiating table. The president told reporters accompanying him aboard the Philippine Airlines 747 plane which flew him to Jeddah, Saudi Arabia from Singapore for two-day official working visit, said, and I quote, we are not giving up on this, unquote. He said he had instructed former Ambassador Howard Dee, chairman of the government peace panel negotiating with the NDF, and former Ambassador Manuel Yan, presidential adviser on the peace process, to explore other ways to approach a middle ground to keep negotiations alive. The president said the idea is to continue dialoguing and negotiating.

One positive approach, he said, is for the government and the NDF to leave the more contentious issues for future discussions and do what is do-able, as what the government and the Moro National Liberation Front had been doing.

The president said the government is bent on putting the peace process back to the negotiating table, because what is important here is the future, the future of those who belong to NDF, the NPA [New People's Army] and the Communist Party of the Philippines as well as the future of the national society.

The peace talks broke down after the NDF rejected government's guarantee for their safety and immunity when the talks moved to the Philippines and insisted on their demand which would contravene the sovereignty of the Philippines. The president urged the NDF to reconsider its position and accept the government's offer so that the peace process can continue.

Government, NDF Optimistic on Resuming Talks

BK1810082794 Quezon City Radio Filipinas in English 0230 GMT 18 Oct 94

[FBIS Transcribed Text] All is not lost in the country's quest for genuine and lasting peace with communist rebels: Government chief negotiator Howard Dee stressed this in a news conference. The Government-NDF [National Democratic Front] preliminary talks in Netherlands earlier collapsed on the issue of safety and immunity guarantees. Ambassador Dee, however, clarified that this does not mean the collapse of the peace process itself.

National Security adviser Jose Almonte also remains hopeful that the Government-NDF peacetalks would resume. He said, the setback is only temporary. For its part, the NDF, through Luis Jalandoni, agrees with government representatives that the talks may resume, however, Jalandoni accuses government of insincerity.

Trade Deficit Increases 31 Percent Through Aug

BK1710113594 Manila THE MANILA CHRONICLE in English 14 Oct 94 p 9

[Report by Leticia P. Perez]

[FBIS Transcribed Text] The trade deficit in the first eight months of the year widened to $5.172 billion, 31 percent more than what was registered in the same period last year, the National Statistics Office [NSO] reported yesterday. For August alone, the trade gap—which accounts for the difference between imports and exports—grew to $554 million or 7 percent more than the $418 million recorded in the same month last year. The NSO said that while exports caught up with imports in August, it was still not adequate to significantly improve the trade imbalance.

Imports in August was up by 14.1 percent to $1.727 billion. This was up by 14.1 percent or $214 million more than the $1.513 billion in the same month last year. Exports, on the other hand, grew by 17.9 percent from only $995 million in August last year to $1.173 billion this year.

The NSO noted that despite the imbalance, statistics showed that total trade breached the $20 billion mark with the figure for the first eight months aggregating to $22.096 billion. Last year, trade amounted to $18.298 billion.

The top imports for August included electronics and components mainly used for manufacture or microcircuits and semi-conductor devices. This sector alone rose by 81.3 percent to $232.39 million taken on a year-on-year basis.

The second top imports were imported mineral fuels, lubricants and related materials which amounted to $187.86 million, a 2.2 percent increase compared to August last year.

Capital equipment was third on the list posting $148.36 million or 29.6 percent over last year's level of $114.46 million. Other top imports include telecommunication equipment, electrical machinery, transport equipment, textile yarn, fabrics, and power generating equipment.

Japan remained the country's top source of imports amounting to $405.70 million or 24 percent of the total import bill. The United States supplied the country with $312.81 million or 18.1 percent of total imports. Imports from Singapore were valued at $124.35 million. Imports from Taiwan were worth $106.13 million.

The country's other leading import suppliers were Hong Kong, $88.13 million; Kingdom of Saudi Arabia, $87.43 million; Republic of Korea, $81.55 million; Germany, $56.36 million; Malaysia, $41.25 million, and Australia, $35.69 million. Total import purchases from these 10 countries totalled $1.34 billion or 77.6 percent of imports recorded in August.

Thailand

Chuan: Cambodia Solely Responsible for Detainees

BK1710080694 Bangkok THE NATION in English 17 Oct 94 p A4

[FBIS Transcribed Text] Prime Minister Chuan Likphai said that the blame for the long detention of the nine Thais in Cambodia should fall on the Cambodian government, not its Thai counterpart. [sentence as published] However, Chuan said it is a complicated issue as the Thai government also has the right to detain a foreigner if he is accused of committing a crime here.

The premier was referring to the three-month-long detention in Phnom Penh of the nine Thais in connection with the abortive July coup.

Responding to the question whether the Thai government is sincere in helping the nine detainees, Chuan said "it is the Cambodian government, not the Thai government, that is in charge of the case".

Amnesty International, a London-based human rights group, called on the Cambodian government to either release or charge the nine Thai nationals and said it was "concerned at the continued illegal detention of the nine.

"The nine men, all of whom have been detained since July 3, 1994, are being held without charge or trial," said their October report, obtained by REUTERS on Saturday.

Cambodia has asked permission to bring a team to Thailand to undertake formal questioning of the 14 other Thais believed to be connected with the failed coup attempt, in exchange for the release of the nine Thais. The Thai government has not yet given an answer.

Chuan said yesterday that there is no progress on this request. However, the foreign ministry recently claimed it had submitted a suggestion to allow the interviews, but that it is up to Chuan to make the final decision.

Asked in what way the Thai government can pressure the Cambodian government on this case, Chuan responded, "What can I do? Do you want me to fire big guns at it?"

Singapore Defense Minister Calls on Chuan

BK1810094694 Bangkok THE NATION in English 18 Oct 94 p A3

[FBIS Transcribed Text] Singapore Defence Minister Lee Boon Yang, on a two-day visit to Thailand, called on Prime Minister Chuan Likphai yesterday to discuss bilateral relations, officials said. The two also discussed progress in the Asean Regional Forum (ARF), an 18-member Asia-Pacific political and security conference held in Bangkok in July. Lee stressed the significant US role in stability and security of the Asian region in recalling Singapore's offer of military facilities to US forces, a Thai government statement said. Chuan and Lee, who doubles as minister of labour, also discussed the large Thai labour force, working mainly in the construction industry, in Singapore in the past decade.

Surin Comments on Foreign Policy After Reshuffle

BK1610104594 Bangkok THE SUNDAY POST in English 16 Oct 94 p 3

[FBIS Transcribed Text] Deputy Foreign Minister Surin Phitsuwan yesterday said he believed there would be no effect on foreign policy or problems with the working system if Prasong Sunsiri is replaced as foreign minister.

Speaking to reporters soon after returning from a tour of Scandinavian countries yesterday, Mr Surin said a change in personnel would not indicate a change in policy. He also said it was not yet confirmed whether Telecommunications tycoon Thaksin Chinnawat would replace Squadron Leader Prasong in the portfolio for foreign affairs.

"If there is really a change, there would be no problem with the work in the ministry. Everything would follow the policy framework of the Government," Mr Surin said. He said the change, if it really takes place, would be along with political changes, adding that if the political changes occurred peacefully under the Constitution, there should be no repercussions on policy and international relations. Mr Surin said the country's foreign policy would continue unchanged even if the newcomer takes up the post.

He pointed out that Mr Thaksin's policy stated early last week to use business to lead foreign affairs was nothing new to the work that the outgoing foreign minister Prasong had assigned him during the past two years.

"Nothing will change. There may be more emphasis depending on timing. But it's not different from what Foreign Minister Prasong has done to lay the ground work," said Mr Surin.

The deputy foreign minister also praised Sqn Ldr Prasong for having done his duty as foreign minister which earned him both recognition and cooperation from other countries.

"The success of ASEAN and ARF (Asian Regional Forum) meetings are still focal points of conversation in many countries. We were the host this year and we succeeded, but we must attribute much of the success to the ability of our foreign minister," Mr Surin said. He refused to comment on whether Mr Thaksin was qualified for the post.

Chuan Faces More Obstacles to Thaksin Nomination

BK1710041694 Bangkok BANGKOK POST in English 17 Oct 94 pp 1, 3

[FBIS Transcribed Text] Reservations about Phalang Tham's [PDP] nomination of telecommunications magnate Thaksin Chinnawat as foreign minister grew stronger yesterday, with a prominent academic warning that the Premier risks committing lese majeste if he presents unqualified persons for royal appointment to the Cabinet.

Political scientist Sukhumphan Boriphat said any mistake in the screening process could cost the Premier his job as he must take responsibility for the Cabinet reshuffle list proposed to His Majesty the King for approval.

M.R. Sukhumphan, an adviser to the newly-formed Nam Thai Party, suggested that Premier Chuan Likphai should form a committee to look thoroughly at Mr Thaksin's qualifications. The appointment of Mr Thaksin will set the standard for future Cabinet appointments of businessmen holding state project concessions.

M.R. Sukhumphan said Mr Thaksin had the ability to learn quickly how to carry out his job as foreign minister. But the appointment has become a question of principle involving the selection of non-elected persons as Cabinet ministers.

"I don't understand why the PDP has decided to choose an outsider to become (foreign) minister. Outsiders considered to become ministers must be suitable and well versed in various affairs.

"But Dr Thaksin has not been that capable. He can't cite his experience in international businesses to back his qualifications. That's not related. If he cites that, then a tour guide can also be foreign minister," M.R. Sukhumphan said.

The academic declined to say outright what the Government should do to avoid committing a blunder.

"Confusion is an enemy of democracy. The Prime Minister must do away with confusion. I don't want to tell him to dissolve the Lower House because I don't want Nam Thai Party to be accused of trying to push for an early election."

M.R. Sukhumphan predicted the controversy over Mr Thaksin's appointment would be prolonged.

"Next week will be fun. Sqn Ldr [Squadron Leader] Prasong Sunsiri, the outgoing foreign minister, also of the PDP will not stop only at this. He still has a lot of tricks up his sleeve to fight the appointment," he said. The lecturer suggested Mr Thaksin should divorce his wife to overcome the legal obstacle to his assuming the Cabinet post.

Opponents of the appointment claim the former chairman of the Chinnawat Computer and Communications Group is not eligible for the post under the Constitution because he is a contract partner of the Government in the telecommunications field.

Article 163 of the Constitution states a minister cannot assume a position or undertake any activities which are in conflict with his or her performance of duty or any activities which are prohibited for an MP or activities which are stipulated in Article 108.

A minister also is prohibited from becoming a manager, a director, an adviser, a representative or an employee of a company, a partnership or any organisations which are doing business for profit.

Since some people suggested that Mr Thaksin, having relinquished roles in his companies to assume Cabinet responsibilities, still maintained his business connections through his wife, the tycoon should then divorce his wife to solve the problem, the lecturer said. Husband and wife are considered by law to be the same person. Parliament President Marut Bunnak suggested Mr Thaksin could avoid legal complications by transferring all his business interests to persons outside his family. If the businessman transferred his interests to persons who were not his wife, children or other family members the problem would be completely solved.

Mr Marut, a deputy leader of the Democrat Party, said his view was personal.

Nam Thai leader Amnuai Wirawan said the controversy surrounding the proposed appointment must be listened to by responsible persons. The appointment must not go against the Constitution as it will set a standard for the future.

"The Prime Minister must consider and take responsibility to ensure it will not go against the Constitution," Mr Amnuai said. The Nam Thai leader, who served in the Chuan Government as a non-elected deputy premier for almost two years, said persons appointed to the Cabinet should be elected MPs. However, leading Opposition members said they did not see any problem if Mr Thaksin was appointed foreign minister.

The SC&C Group chairman had relinquished all his posts in his companies and this had been verified by the PDP before his nomination, said veteran Chat Thai MP Pancha Kesonthong.

"I don't understand people drawing in his wife and children. We should consider more whether he has the ability to work in the interests of the country," the Phetchabun MP said.

Chat Thai secretary-general Sano Thianthong agreed that Mr Thaksin needed to clear himself before assuming Cabinet responsibility. He said, however, the question of whether Mr Thaksin would be accepted as foreign minister was more a problem within the PDP, not for the public.

Chat Phatthana leader Chatchai Chunhawan said appointing an outsider as a Cabinet minister should not pose a problem as long as the person was able to perform the job in the national interest. Whether the person is qualified for the job has to be settled through the existing screening process specified by law.

Mr Chuan has assigned Wisanu Khrua-ngam, secretary-general of the Cabinet, to handle the problem.

Editorials View Problems of Phalang Tham Party

BK1510133994

[FBIS Editorial Report] Two Thai dailies, NAEO NA and SIAM RAT publish in their 13 October editions editorials on the state of the Phalang Tham Party after its executive committee proposed new cabinet members to replace incumbents.

The 600-word editorial on page 2 of NAEO NA titled: "Lack of Political Experience" blames "one particular person in the Phalang Tham Party" as being fully responsible for the current crisis. The editorial reviews factionalism and power struggles within the party, which culminated in the victory of the so-called Temple faction in the recent election of the party's executive committee and the election of Chamlong Simuang as party leader. Immediately after its victory, the new committee decided to remove all incumbent party ministers. The paper says this is a negative approach, both for the party itself, as well as for the entire government.

The disgruntled Phalang Tham deputies being removed from the cabinet have hinted that they may refrain from supporting the party and the government coalition in the parliament. This would make the government's position precarious. The paper notes: "Such a political crisis could have been avoided if only leaders realized the importance of national unity and agreed to compromise at certain times. The party has fallen into its present state of chaos because certain people in it are hardheaded, overconfident, and authoritarian. This, coupled with the fact that the party lacks political experience, has brought the entire political process to an impasse.

"Hardest hit, nevertheless, will be the Phalang Tham Party itself, as the party is being watched closely by the people from beginning to end. The party created its own problem, but is now looking to other people to rescue it. This is fraught with uncertainties, and it reflects the lack of principles and openness by the party in handling its affairs. This will be judged by the people in the next general election," the paper concludes.

SIAM RAT, in its 800-word editorial on page 5 titled "Differences in the Phalang Tham Party," deplores the fact that this party, which attracted considerable hope because of its moral standards, political sincerity, and sense of duty toward public welfare, has fallen to this level. The editorial reviews power struggles within the party and notes that party differences were truly felt only recently when rivalry between the so-called "Temple faction" and the "Cabinet faction" became open. The recent election of the party executive board saw former leader Chamlong Simuang reelected, while incumbent leader Bunchu Rotchanasathian was stripped of power entirely. The manner in which the new executive committee has handled its reshuffle of cabinet ministers has created strong resentment, prompting some party ministers to refuse to step down to make way for outsiders.

"It is true that under the party system, politicians must uphold party discipline and accept party resolutions. This cannot apply, however, to the current crisis in the Phalang Tham Party because what the party has done is not based on good reasons and it is not convincing to party members or the general public. What has been going on at the Phalang Tham Party has not only created suspicion in the minds of the people, but also prompted a tense situation in society," the editorial says, adding that the tension will certainly affect government stability. The editorial concludes: "If the party wishes to remain in the government coalition, its problem of intra-party differences will never contribute to government stability. It rests with the prime minister and other parties in the coalition to see how this problem can be overcome—how can the differences within the Phalang Tham Party be settled?"

Central Bank To Monitor Flow of Offshore Capital

BK1510152494 Bangkok BANGKOK POST in English 15 Oct 94 p 26

[FBIS Transcribed Text] The inflow of offshore capital will be watched closely to help cool inflation, central bank Governor Wichit Suphinit said yesterday. He said he was confident this year's inflation rate would be kept at 4.7-4.9 percent, mainly influenced by the food sector.

Food prices in the past nine months rose by 6.6 percent, compared with 3.9 percent in the same period last year. However, the increase in non-food sectors dropped from 4.4 percent to 3.9 percent. In the first eight months this year, a total of 268 billion baht in foreign capital entered Thailand compared with 168 billion brought in during the same period in 1993.

Mr Wichit said the central bank applied a tight monetary policy to keep down the money supply and avoid fuelling inflation. This resulted in many increases in interest rates.

In August alone, deposits registered at 75,000 million baht. The central bank ordered an increase in monetary reserves of commercial banks and finance companies to write off possible bad debts. The central bank also increased the standard rate. These measures would help keep inflation at an appropriate level, Mr Wichit said.

In addition, the central bank will watch exports. In recent months these exceeded targets and were among many factors accelerating inflation. Exports, estimated early this year to increase by 13 percent, would rise 23 percent, a fairly high rate. Civil servants' pay increases also lifted inflation by 0.4 percentage points. However, higher-than-expected exports reflect competitiveness of Thai commodities on international markets.

"If we panic and adopt tough measures to deal with inflation by squeezing credit, it will hurt the country's investment environment and potential foreign investors will turn to our neighbours," Mr Wichit said. He said he had told Finance Minister Tharin Nimmanhemin of the situation and Prime Minister Chuan Likphai would be told on Monday.

More Controls on Banks' Foreign Exchange Holdings

BK1510154294 Bangkok THE NATION in English 15 Oct 94 pp A1, A4

[FBIS Transcribed Text] The Bank of Thailand yesterday announced a move to tighten control on foreign exchange [forex] holdings among commercial banks by reducing their ability to hold unused foreign currencies as a measure to eventually control inflation. The announcement to reduce the net foreign exchange position of the banks will become effective from Nov 4, Wichit Suphinit, governor of the central bank, told reporters before he was scheduled to hold talks with Finance Minister Tharin Nimmanahemin.

The banks, from Nov 4, must reduce their net foreign assets from 25 per cent of their capital fund to 20 per cent, or to a maximum of US$5 million (Bt125 million).

The net liabilities must be brought down from 20 per cent to 15 per cent of the capital fund, also to a maximum of US$5 million.

"We aim to control the local liquidity market and encourage banks to rely more on Thai baht for local business expansion. This will help us partially control the inflation rate," the governor said. He did not give an explicit explanation but analysts believe the central bank hopes that domestic interest rates will eventually rise because of tighter money market conditions.

In general, higher interest rates will also attract a greater inflow of foreign capital to take advantage of the interest rate gap overseas which is normally lower. Tightening of the net foreign exchange position of banks would limit speculative elements to a certain extent.

During the first eight months,, net inflow of foreign funds was Bt289.9 billion, up 72 per cent over the corresponding period last year. That has helped to boost excess liquidity in the money market. Consequently, banks are less careful when extending credit as they have access to cheap funds for relending.

Loan extensions by banks during this period has grown by about 24 per cent as a result, compared with the central bank's target of 21 per cent. This high credit demand has contributed to higher spending and an inflation rate which rose to 5.3 per cent on a 12- month basis in September.

Wichit said that the reduction was the fifth monetary measure the central bank has adopted in order to control the liquidity market through the banking system since the beginning of this year.

The central bank has several times signalled banks to increase deposit rates and therefore encourage more savings. It increased the banks' doubtful debt provision from 50 to 100 per cent, raised the risk assets-capital fund ratio from 7 to 8 per cent, and increased the discount rate from 9 to 9.5 per cent. The regulations over net foreign positions were first adopted in 1984, when the Thai baht was devalued from Bt23 to Bt27 per US$1. In 1990, net foreign assets were expanded to 25 per cent of the capital fund.

Despite an inflation rate of 5 per cent during the first nine months, mainly due to rising prices of food items, Wichit claimed the 12-month rate was only 4.7 per cent.

"Supply is the major factor accounting for 64 per cent of the weight on inflation," he said.

He played down the impact of the rise in civil servants' salaries, though he said that the 13 per cent rise had pushed up inflation by only 0.4 per cent. In his view, the overall economic picture was still positive due to the trade deficit narrowing from Bt160 billion in the first nine months of last year to Bt150 billion as of September.

The current account deficit has shrunk from Bt138 billion to Bt129 billion, while the investment-savings gap was only 4 per cent.

"We'll promote more new savings instruments. In the year 2000, the gap is expected to be 2 per cent through the instruments which, along with economic growth, will encourage people to save more," Wichit said.

The favourable economic outlook, as well as the International Monetary Fund's (IMF) projections on the inflation rate rise, convinced him that the inflation rate this year is not worrisome.

According to the IMF, inflation this year will be 10 per cent above last year's level of 3.8 per cent. The rate then should be 4.2 per cent. The inflation in 1995 is estimated to rise by a moderate 2.5 per cent from this year's level.

Vietnam

Nguyen Manh Cam Meets With U.S.' Christopher

BK1810120294 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 18 Oct 94

[FBIS Translated Text] On 17 October, Foreign Minister Nguyen Manh Cam met U.S. Secretary of State Warren Christopher in Washington. The two sides reviewed positive developments in relations between the two countries after their previous meeting in Singapore in July 1993. They also exchanged measures to further accelerate the process of normalizing U.S.-SRV relations, including efforts to establish liaison offices in Hanoi and Washington. The two sides were pleased with the progress.

Hanoi Rejects PRC Statements, Actions on Spratlys

BK1710130794 Hong Kong AFP in English 1251 GMT 17 Oct 94

[FBIS Transcribed Excerpt] Hanoi, Oct 17 (AFP)—Tension rose abruptly between China and Vietnam Monday ahead of a visit here by Chinese President Jiang Zemin, after Hanoi angrily accused Beijing of "systematic and unacceptable" violations in the Gulf of Tonkin.

Reacting to official protests from Beijing over the disputed oil-rich area, the foreign ministry also warned that Vietnam reserved its right to "defend its territorial waters" should they came under threat.

"Vietnam has already made it clear to China that "Chinese fishing boats have systematically violated not only our exclusive economic zone, but also our territorial waters," the ministry spokesman told AFP.

"This is unacceptable," the spokesman said, and called on China "to educate its people to put a stop to these violations."

The ministry slammed China's territorial claims in the Gulf of Tonkin, calling them a violation of the UN Maritime Convention and "the sovereignty of Vietnam's exclusive economic zone and its continental shelf."

"Vietnam has the right and the responsibility to defend its territorial waters," it said.

The verbal blast came just over a month before President Jiang makes the first visit to Vietnam by a Chinese head of state since the two countries agreed to set aside their differences and normalise relations three years ago.

China last week filed an official protest with Vietnam, and a foreign ministry spokesman on Friday accused Hanoi of "gross violations of its rights and sovereignty" in the Gulf of Tonkin.

Beijing was angered that Hanoi had tendered offers from foreign companies to develop the disputed area at a conference in London on September 12 and another in Houston a week later. [passage omitted]

PRC 'Violations' 'Unacceptable'

BK1710160994 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 17 Oct 94

[FBIS Translated Text] Answering questions from reporters about comments made 14 October by the Chinese Foreign Ministry spokesman on Vietnamese activities in the Bac Bo [Tonkin] Gulf, the SRV Foreign Ministry spokesman said Vietnam has always made its viewpoint clear about the part of the gulf under its territorial sovereignty, and has asserted many times that it rejects the notion of a mixed zone in the middle of the gulf, as proposed by China.

Out of goodwill, Vietnam has agreed to delineation efforts on principles of fairness and in accordance with international laws. While the two countries actively carry out the delineation of the gulf, agencies managing Vietnamese territorial waters have exclusive authority to exercise their sovereignty rights in the zones Vietnam has been managing for a long time. The Oil and Gas Company of Vietnam recently carried out its work within the gulf and it was in line with this viewpoint.

According to contemporary international laws, and especially to the 1982 Convention on the Law of the Sea, there are no areas in the gulf with public sea status. The Chinese announcement, declaring that the area 12 nautical miles from the continental shelf is public sea and Chinese vessels are free to fish there, contrasts with international maritime law and Vietnam's exclusive sovereignty in its economic zone and continental shelf area, which belong to countries bordering a sea.

In accordance with international laws and standard practices, as well as with its own laws, Vietnam has the right and responsibility to defend its territorial waters. Vietnam has made it clear to China many times that Chinese fishing vessels have systematically violated not only the exclusive economic zone but also Vietnamese territorial waters, thus seriously damaging Vietnamese rights regarding the sea, and that this practice is unacceptable.

Vietnam requests that China educate its citizens to put a stop to these violations.

Spokesman Rebuts PRC Claims

BK1810122494 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 18 Oct 94

[FBIS Translated Text] In response to a question raised by reporters about a statement by a Chinese Foreign Ministry spokesman on 17 October concerning Vietnam's joint venture with foreign countries for oil and gas exploration and exploitation on the Vietnamese continental shelf, a spokesman for the SRV Foreign Ministry clarified as the follows:

We have on several occasions clearly declared that Vietnam has sufficient historical evidence and legal basis to confirm its sovereignty over the Paracel and Spratly archipelagoes. The Tu Chinh area which China calls Wananbei is totally located within the limits of the Vietnamese continential shelf based on the stipulations of the United Nations' 1982 Law of the Sea. China's absurd claim over the sea area, including Tu Chinh, located within the borderline [words indistinct] as the adjacent waters of the Spratlys has no international legal basis at all. This constitutes a grave violation of the sovereignty of Vietnam as well as of many other countries in the region.

Vietnam has time and again clearly stated that the contract on oil and gas exploitation signed between the China National Offshore Oil Coporation and the U.S. Creston Coporation is totally null and void. Vietnam has long maintained its material bases in the area and has carried out normal activities by itself or in partnership with foreign countries in exploring or exploiting natural resources on its own continental shelf.

Vietnam will continue to exercise its indisputable sovereignty over its exclusive economic zone and its continental shelf in accordance with the international law and no countries are allowed to prevent Vietnam from doing this.

The Vietnamese side is very concerned about the preposterous claims by the Chinese side and has sternly warned the Chinese side of this issue.

EC Credit Scheme for Returnees To Continue

BK1610145294 Hanoi VNA in English 1339 GMT 16 Oct 94

[FBIS Transcribed Text] Hanoi VNA Oct 16—ECIP-Hanoi office has announced a plan of resuming credit loans to Vietnamese returnees in the form of revolving funds for another three years till 1997.

According to Mr. On Tuan Bao, deputy director of the EC International Programme (ECIP) in Vietnam, the plan, which is expected to come out this October, would provide for EC aid of some 32 million USD through local banks to small- and medium-sized enterpreneurs apart from returnees and their communities.

The interest rates set for the banks are not revealed but are said to be extremely preferential.

With all these efforts, EU aims to create an incentive for the remaining 52,865 boat people still living in the first asylums to return home by 1995.

Credit is only part of ECIP's five-component scheme, which has over the past three years helped in the repatriation of 65,150 boat people from refugee camps mostly in Hong Kong and is due to terminate this November.

Of its total 130 million USD commitment, the ECIP has helped set up 103 vocational training centres for 130,000 returnees and build 213 small-and medium-sized projects like bridges, roads and water wells in 21 provinces.

With regard to its credit budget initiated with 32 million USD, ECIP had made disbursement of 20,300 loans totalling 42.1 million USD up to september and plans to raise the figure to 48 million USD by the end of November this year.

Prompt Resolution to Illegal Car Imports Ordered

BK1610075794 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 14 Oct 94

[FBIS Translated Text] The temporary impoundment of 38 cars by the Binh Dinh Province has been reported by a number of news agencies, including the Radio Voice of Vietnam. On 11 October, Deputy Prime Minister Phan Van Khai signed Directive No. 5660/KTTH, whose basic contents comprise:

—asking the Binh Dinh Province People's Committee to promptly resolve the case of 38 cars now temporarily impounded in the province.
—asking the Customs General Department to check and accurately estimate the value of these cars, including those already checked by customs to impose the right amount of import taxes as defined by the law.
—demanding that legal action be taken against car-importing firms found to be violating the law.
—sternly criticizing the Ministry of Trade for its lax control over the issuance of permits for the import of these cars.
—asking the Customs General Department to sternly criticize itself for the guidance it has given to the Binh Dinh Province Customs Office on import-export control, dealing strictly with elements and individuals found guilty, and to reorganize the staff of the Binh Dinh Customs Office.
—asking the Customs General Department to cooperate with the Binh Dinh Province People's Committee in providing guidance for the completion of various procedures required to promptly clear the case of the 38 cars. It must report the results to the prime minister before 20 October.

Assembly Spokesman Previews Sixth Session

BK1410152394 Hanoi VNA in English 1337 GMT 14 Oct 94

[FBIS Transcribed Text] Hanoi VNA Oct. 14—The 6th session of the Ninth National Assembly will be convened here on Oct. 20, said head of the National Assembly Office Vu Mao at a press conference today.

Mr. Mao said that this session will last 10 days and aims to review the implementation of the National Assembly resolutions in 1994 and the orientation and tasks in 1995 the spending of state budget in 1994, the state budget estimation in 1995, and the drawing of the balance sheet of the state budget in 1993.

The National Assembly will also review the implementation of its resolutions on thrift practice, anti-corruption, and antismuggling. It will also review the implementation of socio-economic tasks in 1994 and work out targets for socio-economic development in the year to come.

The national assembly also plans to pass the proposed programme on law making in 1995, consider and decide a number of other important issues.

Assembly Office Meets on 1995 Legislative Agenda

BK1610135694 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 15 Oct 94

[FBIS Translated Text] Today, the National Assembly Office met with agencies in charge of compiling the draft laws falling under the government's 1995 legislative agenda. Vu Mao, head of the National Assembly Office, directed the meeting.

In 1995, legislative work will focus on the compilation of legal documents on renovating the enonomic management mechanism; broadening diplomatic activities and external economic relations; renovating the political system step by step; strengthening the effectiveness of the state apparatus; improving administrative and legislative procedures; consolidating national defense and security; firmly maintaining public security and order; ensuring social discipline; fighting against social vices, wasteful spending, corruption, and smuggling; guaranteeing citizens' freedoms and democratic rights; institutionalizing major policies on cultural, social, educational, public health, science, technology, and environmental protection.

It is expected that 1995 legislation will comprise eight draft laws and codes, 17 draft regulations of the official program, 26 draft laws and law codes, and four draft regulations.

Inter-Bank Foreign Exchange Market Makes Debut

BK1510100394 Hanoi VNA in English 0636 GMT 15 Oct 94

[FBIS Transcribed Text] Hanoi VNA October 15—With 22 participants which include the State Bank of Vietnam, Vietnamese commercial banks and joint-stock banks and foreign banks such as the ANZ Bank, Credit

Lyonnais, Standard Chartered Bank, and the Cathay Investment Trust, the inter-bank foreign exchange market opens today.

The market, a precursor to a foreign exchange market in Vietnam, is to function every day with its scope of activities to be decided by the state bank which will be responsible for balancing supply and demand.

Foreign currencies which will be exchanged at the market are: USD [U.S. Dollar], DEM [German Mark], BP [British Pound], FFR [French Franc], JPY [Japanese Yen], HKD [Hong Kong Dollar] and VND [Vietnamese Dong]. Initially, exchanges will be made only in USD and VND.

The minumum value of each transaction at the market will be usd 50,000.

Both spot and forward trading will take place in the market. The exchage rates will be based on guidelines issued by the governor of the bank with the parties to the transaction adjusting the rates between themselves.

Inter-bank communication will be done on computer networks or the conventional forms of telecommunication like telephone, telex and fax.

The inter-bank local currency market was established last year.

Economic Costs of Natural Disasters Cited

BK1510092394 Hanoi Voice of Vietnam in English 1000 GMT 14 Oct 94

[FBIS Transcribed Text] It is claimed at a meeting in Hanoi this week on the occasion of the Fifth International Day for National Disaster Reduction that natural calamities in Vietnam this year had seriously affected national economic development.

Sources from the National Committee [as received] said that so far this year, natural calamities nationwide have caused serious setbacks to national economic development.

According to national statistics, tornadoes, typhoons, and floods have killed up to 260 people nationwide, wounded thousands of others, damaged thousands of hectares of rice and other crops, bringing the food lost to 700,000 tons. The total loss of property amounted to about 1,380 billion Vietnamese dong—nearly $138 million.

Over the past year, Vietnam's National Committee has closely collaborated with the party's institutions concerned at all levels to provide guidance for the prevention of natural calamities and helping people in disaster-stricken areas quickly normalize their daily life and economic production.